



SouthEast
Housing Co-operative

Co-operators

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Co-operation and Co-operatives

EDITED BY
David Griffiths

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Foreword

Mervyn Wilson

2012 is the United Nations' International Year of Co-operatives with the theme *Co-operative enterprises build a better world*.

There is no better way of understanding the meaning of that statement than to read of the experiences of active co-operators, and how co-operatives have impacted on their lives as members and employees. This collection of essays provides living proof of how co-operatives can help transform lives, and also reveals the frustrations brought about by seeing the scale of the potential and the difficulties in main-streaming co-operation today.

Some of the most powerful contributions are those from activists in the housing co-operative sector. They demonstrate clearly now, just as with the case of the Rochdale Pioneers in the mid 19th century, how ordinary working people can take control of their lives by putting the values of self-help and self-responsibility into practice. Through co-operative action they are able to shape their own lives, not simply respond and react to others.

The publication *Working Out of Poverty* by the International Labour Organisation, part of the UN organisation, states:

Co-operative members learn from each other, innovate together, and by increasing control over their livelihoods build up the sense of dignity the experience of poverty destroys.

This collection supports that sentiment, and emphasises the critical importance of co-operative education in ensuring that co-operatives can fulfil their potential.

In the decades that preceded the successful co-operative model by the Rochdale Pioneers, earlier generations of co-operators worked to develop alternatives to what they saw as the huge inequalities brought about by the rapid development of competition in an industrial society. They saw that, 'Mutual co-operation in the production of wealth and of equality in its distribution would remove the greater portion of the evils under which society at present labours'*. That remains the vision of co-operators worldwide today.

One of the great textbooks on co-operation by Hall and Watkins published in 1937 states:

But where does all this co-operative activity lead? What is the goal for which co-operators are aiming? Is it merely a more efficient economic system? It is that: but it is something more. It is a more satisfying economic system because it is more moral and because it solves most of the present day problems of industry and commerce.

As the global economy struggles to slowly rebuild from the financial crisis of 2007 that message is as powerful as it was seventy years ago.

This collection shows that the co-operative spirit and vision of a better and more co-operative society is alive and well in Australia.

**Articles of agreement (drawn up and recommended by the London Co-operative Society) [microform]: for the formation of a community within fifty miles of London, on principles of mutual co-operation London Co-operative Society, [London : s.n.], 1826. p 12.*

Mervyn Wilson is Principal and Chief Executive of the UK Co-operative College. He has worked in the co-operative sector for over thirty years, primarily in the field of member education, co-operative identity and governance. He has worked with co-operatives throughout the world and led the development of co-operative trust schools and their national network. Mervyn is a co-chair of the global Human Resources Committee of the International Co-operative Alliance, a Trustee of the Co-operative Heritage Trust and the Reddish Vale Trust, and a Fellow of the RSA.



Co-operators and Co-operatives

David Griffiths

‘An invasion of armies can be resisted, but not an idea whose time has come.’
Victor Hugo, *Histoire d'un Crime* [The History of a Crime], 1877.

THE International Year of Co-operatives 2012 has created a unique opportunity for the co-operative movement to celebrate co-operation – and for an idea whose time has come.

Critical to the realisation of the idea of co-operation is to understand the link between the past, the present and the future. *Share or Die* is a new book promoted as the first book of its kind where members of Generation Y tell the story of a new economy based on collaboration instead of competition. It may be the first book by generation Y on collaboration, but it has been preceded by generations of books and their authors who have written about the idea of co-operation based on the values and principles originally formulated by the Rochdale Pioneers in 1844.

In *Laws and Objects of the Rochdale Society of Equitable Pioneers*, the Pioneers set out their objects as:

- The establishment of a store for the sale of provision and clothing.
- The building, purchasing or erecting of a number of houses, in which those members desiring to assist each other in improving their domestic and social condition may reside.
- To commence the manufacture of such articles as the society may determine upon, for the employment of such members as may be without employment or who may be suffering in consequence of repeated reductions in their wages.
- As a further benefit and security to the members of this society, the society shall purchase or rent an estate or estates of land, which shall be cultivated by their members who may be out of employment, or whose labour may be badly remunerated.
- That as soon as practicable, this society shall proceed to arrange the powers of production, distribution, education, and government, or in other words to establish a self-supporting home-colony or united interests, or assist other societies in establishing such colonies.

The Rochdale Society of Equitable Pioneers was owned and controlled by its members based on one vote per member – a basic criteria for the democratic control of co-operatives.

Co-operation is an inter-relationship between individual co-operatives and individual co-operators. The beginning of any co-operative is individuals coming together as co-operators to meet a common need through co-operatives.

Co-operatives depend on convinced co-operators – the individual members, directors and staff who believe in and practice co-operative values and principles.

The purpose of this publication is to allow individual co-operators to share their experience and aspirations for co-operation and co-operatives. Most of the co-operators represented in the booklet are involved with either SouthEast Housing Co-operative or other housing co-operatives. There are also some contributions from other co-operators. Housing co-operatives are the largest industry group of co-operatives in Victoria – 120 co-operatives providing housing for 6000 people, including 2240 children in 2500 properties.

What all the contributors share is a common commitment to co-operative values and principles – and an understanding of the challenges and complexities. The contributors remain optimistic about and hopeful for the co-operation ethos.

During 2012 there have been some remarkable achievements by the Australian IYC Secretariat and the Australian IYC Committee, e.g. an IYC co-operative coin, an IYC stamp sheet and being featured in the Australian Yearbook. Co-operatives have varied in their support for IYC and some have been exceptional such as the SouthEast Housing Co-operative Ltd. In *Co-operative Housing Futures* the General Manager of SouthEast, Ian McLaren, writes about how and why the small housing co-operative exceeded its reach in its support for IYC 2012.

Members and staff of the SouthEast Housing Co-operative Ltd reflect on their experience of the co-operative. Three staff – Dale Carroll in *Co-operative Unity*, Jim Kokoras in *Making it Happen* and Joy Haines in *Take your Pick* discuss how they came to the co-operative, what they do and why the co-operative is important to them. In *Everything I Can*, member director Jan Dickson discusses the meaning of membership and the responsibility of being a director.

In *Inclusive Democracy* the Chairperson of SouthEast Housing Co-operative Ltd Shirley Faram reflects on the importance of co-operative housing, and on the challenges faced by the co-operative when it did not consult with members on changes to a lease, the subsequent intervention of the Housing Registrar and surviving beyond the intervention. In *Members First – Past, Present And Future* SouthEast member Greg Nolan discusses the importance of co-operative housing, the challenging demands of Government, the Housing Registrar

intervention, the board's response and the need for improved openness and transparency within the co-operative.

The United Housing Co-operative Ltd based in Yarraville, Victoria, has also addressed the challenge of continued member accountability. At the 30 June 2011 the co-operative managed 90 properties, four owned by the co-operative, and had an annual turnover of \$995,000. In *Rebranding 'Co-operative Identity'* Business Manager Rob Wardell reflects on how the co-operative has been working to reinvent itself with members. In *A Sense of Home* a founding member of the Northern Geelong Rental Housing Co-operative, Cathy Walker, and a member of SouthEast, Avril Lochhead in *Co-operative Community* comment on the significance of community in co-operative housing to its members. In *The Personal Touch* another member of SouthEast, Johnnie Tissera, emphasises the significance of personal relationships in a housing co-operative. In *Co-operation Naturally* a former member and director of SouthEast, Terry Brown, reflects on co-operation as the natural way of doing things. In *Now and Future Generations* and *A Life Lived Well*, Karren Walker and Rhonda Wilson, respectively, both members of rental housing co-operatives and directors on the board of Common Equity Housing Co-operative Ltd, affirm the importance of co-operative living.

Victoria's rental housing co-operatives of the 1980's were preceded by housing societies established since 1936 in NSW to enable workers to purchase or rent their own homes, as loans were not available from banks. In the 1940s the Young Christian Workers Co-operative Movement in Victoria formed housing societies. In *Y.C.W. Co-operatives* Ted Long discusses the role of the Melbourne Young Christian Workers (YCW) in forming co-operatives – including housing co-operatives. It is an article written in 1945 by a co-operator who is no longer with us but is reproduced in 2012 because it effectively captures the essence of the YCW Co-operative Movement at the time – a Movement that was based on a clear philosophy and practice. In *Historically Unique, Maryknoll*, Angelique Eccleson and Des O'Connell remind us how co-operative housing was an important part of the St Mary's Co-operative Society – a settlement established in 1949 in Victoria supported by the National Catholic Rural Movement. Both the YCW Co-operative Movement and Maryknoll shared a commitment to transforming the world through a Co-operative Commonwealth.

The SouthEast Housing Co-operative Ltd has adopted the theme of *Beyond 2012* – a commitment to ensure that there are legacy initiatives that

will continue beyond IYC 2012. SouthEast Housing Co-operative has committed itself to an ongoing renewal of co-operative values and principles. The Australian IYC Secretariat and the Capricorn Society have embarked on an important and ambitious quest to persuade large co-operatives throughout Australia to adequately fund a new peak body for co-operatives. In the meantime, there is Co-operatives Australia – the existing national peak body for State Co-operative Federations.

In *Australian Co-operatives and Co-operatives Australia* David Griffiths has provided an explanation of the activities and achievements of State Co-operative Federations and Co-operatives Australia. Statements prepared by Co-operatives Australia over recent years are published, with permission, to provide an Australia-wide context for co-operation – *Public Policy and Co-operatives*, *Co-operative Education* and *Valuing Co-operation*. In 2009 Co-operatives

Australia also initiated an annual listing of Australia's top co-operatives, credit unions and mutuals by annual turnover and we have published the 4th list. Historically all these publications are important in understanding the challenges for co-operative federations and co-operative values.

In *Grasping the Principles* the former Chairman of Co-operatives Australia and Co-operatives Victoria Tony O'Shea reflects on the difficulties of promoting and advocating the co-operative option without a commitment by co-operatives to co-operative education and co-op-

'Critical to the realisation of the idea of co-operation is to understand the link between the past, the present and the future.'

eration between co-operatives. In *Co-operation between Co-operatives* David Griffiths examines why co-operatives do not always naturally follow solidarity and unity but, instead, follow a path of individualism, which is counter-intuitive to co-operative values and principles. Co-operation between co-operatives is central to the co-operative identity.

In *The West – Yesterday, Today, Tomorrow* Peter Wells reflects on co-operatives and Co-operatives WA in Western Australia. In *Co-operative Equality* Linda

Seaborn argues that the co-operatives provide a model for the democratisation of workplaces. It is an argument that Race Mathews has pursued through a series of books and articles.

Co-operative education is central to maintain the co-operative identity, renew co-operative values and continuously engage members. Co-operative education throughout Australia, however, is either episodic and irregular or absent. When the managers of co-operatives talk about education it is more likely to be about educating members to buy more products and stop opposing board decisions.

In *Canada's Values and Education* John McInerney reports on a visit to Canada's housing co-operative and the centrality of co-operative education to the survival and future of co-operatives. Co-operation and co-operatives do not exist in isolation from politics – a term that is generally applied to the art or science of running governmental or state affairs. In 1892 George Jacob Holyoake said that without a co-operative newspaper there can be no intelligence, without intelligence there can be no party and without a party there can be no power. Politics and politicians determine the political conditions that influence the development of co-operatives through legislation, regulation, policies and programs.

In Victoria, for instance, housing co-operatives are incorporated under the *Co-operatives Act 1996*. The co-operatives, however, are also subject to the *Housing Act 1983* and politics and politicians decided that certain clauses in the Housing Act can override the Co-operatives Act and these enable the imposing of any number of directors on a co-operative – even a majority. These provisions are inconsistent with co-operative philosophy and principles.

Without this overriding capacity, however, the Government would not have tolerated the continuation of housing co-operatives and would have prevented their registration as housing providers. The current reality is that housing co-operatives are surviving in Victoria whereas in other states such as New South Wales, Queensland and SA, housing co-operatives have been or will have disappeared over the next few years with State Governments forcing their demutualisation. The Victorian Government is currently reviewing social housing – public, community and co-operative.

An apolitical tradition characterises most of Australia's co-operatives and particularly the co-operative federations. There is a Co-operative Party in the UK. It was formed on 17 October 1917 and furthers its agenda through the Labour Party.

The *Co-operative Commonwealth Federation (CCF)* was a Canadian political party founded in 1932 in Calgary, Alberta by a number of socialist, farm, co-operative and labour groups, and the League for Social Reconstruction. The party had its greatest success in 1944 when a CCF Government was formed in the state of Saskatchewan and established universal healthcare in the Province/State.

In Australia individual politicians have and are championing co-operation and co-operatives. In *Disruptive Capitalists in a 'Lucky Country'* Melina Morrison writes about the challenging, perhaps subversive role, of co-operatives within capitalism. In *Towards a Co-operative Party* Graeme Charles and Peter Jamieson argue that the only way that co-operative values and principles can be reflected and reinforced in politics is through the formation of a co-operative party – that there is a need to go beyond the support of individual politicians. This insistence will be of some discomfort for those who prefer the mainstream political duopoly and majority governments and who refuse to recognise that Independent MPs and minority parties can be and are a legitimate influence, because they don't believe they should be influential. The appeal of a Co-operative Party is, of course, that you would not have to explain the values and principles of co-operation and justify the co-operative way. But, then, it is arguable that only the 'mainstream' political parties are capable of creating and sustaining long-term change.

This book celebrates the past, present and future of co-operation and co-operatives through individual co-operators – including the complexities and challenges to the survival and development of co-operatives and their federations. The focus is primarily, but not exclusively, on rental housing co-operatives in the State of Victoria, Australia, with a 35-year history.

Victoria's housing co-operatives share common values with a worldwide co-operative movement with nearly one billion member-owners of 1.4 million co-operatives employing 100 million people. In this worldwide movement there are over 210,000 housing co-operatives with more than 18 million properties and 27 million members. Co-operatives, then, are not a niche, old fashioned or fringe model of doing business.

Co-operatives must come together as a movement which accepts what they have in common – wishing to change value systems with shared goals, expectations and actions. Without this there will be minimal co-operative education and no co-operative movement. Victoria's housing co-operatives are at the beginning of this realisation and only time will tell what and how this evolves. Too few co-operatives and co-operators share that beginning, however, but this can change when the many stop seeking seeing things as they are and ask why? and, instead, dream things that never were and ask – why not?

Co-operation Assumptions

There are critical underpinning, variously explicit and implicit, interconnected assumptions that are threading through the disparate contributions:

1. Co-operation is based on interdependent co-operative values and principles.
2. A co-operative business such as a housing co-operative is a co-operative means towards co-operation. It is not an end in itself.
3. The ultimate goal of co-operation is a co-operative commonwealth of co-operatives.
4. This goal will be forgotten, displaced and neglected unless co-operative values and principles guide the co-operative business.
5. Values and principles will only guide a co-operative if there is an ongoing sense of history and a co-operative identity.
6. The maintenance of co-operative values and principles depends on an ongoing co-operative education program which actively engages members.

The end of IYC 2012 should be the beginning for the renewal and revitalization of the co-operative movement – the continuation of the vision of the Rochdale Pioneers to transform the world. It is hoped that this publication will contribute to an understanding of the co-operative education imperative – unless education development keeps pace with the economic development of co-operatives, then, co-operation has ultimately failed. This was understood by the Rochdale Pioneers, the Antigonish Movement in Nova Scotia, Canada, and the YCW Co-operative Movement in Victoria.

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David Griffiths is a Governance Officer to the SouthEast Housing Co-operative Ltd. He is a lifetime member of the National Co-operative Business Association (USA). He is Secretary of Co-operatives Australia (since 2009) and Co-operatives Victoria (since 2001). He was Chairman of Co-operatives Victoria 1997–2001 and has been Acting/Chairman of Co-operatives Australia 2010–11 and from mid 2012. He is also a member of the IYC 2012 National Committee. He founded the websites *australia.coop*, *victoria.coop* and *education.victoria.coop*. In 2010 he wrote the booklet, *The Phoenix: the SouthEast Housing Co-operative Ltd*.



Co-operative Housing Futures

Ian McLaren

I have worked for the non-profit sector for 28 years – 24 years with MIND, which was originally the Richmond Fellowship of Victoria. I subsequently worked for 18 months for Common Equity Housing Co-operative Ltd, which today has 115 co-operatives and owns over 2000 properties.

I joined SouthEast in 2010 because I had worked with co-operatives at CEHL and I believed that I had something to offer. I was originally appointed in February 2010 as a consultant accountant. In May 2010 I was appointed as Chief Financial Officer. In February 2011 I was appointed General Manager, which incorporated the responsibilities of the Chief Financial Officer.

In co-operatives, with adequate training, you see the confidence and self-esteem of directors build on their self-belief. Their member directors, who constitute a majority, drive co-operatives. However, training and succession planning for directors needs to be in place. I like working alongside people and seeing them grow in the community and personally. You don't see this in the private sector where people are secondary and the drivers are skewed.

In contrast, in most non-profit organisations boards are made up of professionals. Although the board may include consumer representatives, they are driven by the independent professionals.

I see SouthEast at the cusp of a potential growth opportunity if the Government is willing to provide funds. SouthEast is at that point where it needs the next step, so it benefits from economies of scale and critical mass.

This opportunity comes with the Victorian Government reviewing social housing. On 30 April 2012, the Victorian Minister for Housing, Wendy Lovell announced a public consultation on the future direction of social housing. The Minister released two papers, which bring together a range of ideas to promote public discussion:

- *Pathways to a fair and sustainable social housing system (PDF 2.4 MB)*
- *Social Housing – Options to improve the supply of quality housing (PDF 2.0 MB)*

Public consultation closed on 31 July 2012. This is an opportunity, then, for rental housing co-operatives to argue for their importance and potential. It is a challenge, however, as the significance of rental housing co-operatives is not widely understood or accepted. Yet, in metropolitan and rural areas across Victoria, rental housing co-operatives provide affordable housing to over 6,000 people, including 2,240 children, in 2,500 homes.

Rental housing co-operatives have an important role to play as part of the mix of housing options that can help to renew the social housing system in Victoria. Rental housing co-operatives have demonstrated that investment in secure and affordable housing, managed by co-operatives, and owned and controlled by their members are financially sustainable, delivering social and economic benefits for tenant members and for government. This housing helps to prevent the need for crisis accommodation and supports personal pathways out of poverty and dependency for low-income people. The report *Rental housing co-operatives* records high levels of tenant satisfaction with these flexible, adaptable and varied enterprises, which have capacity for innovation and growth.

The Government's discussion paper has indicated a preference for the growth of community housing instead of public housing. There are 41 registered housing agencies in Victoria. While most are not co-operatives, the co-operatives offer unique features because they are member owned and controlled.

Viable and Sustainable

Co-operative housing is viable. SouthEast generates a surplus each year. In 2008 SouthEast secured a bank loan for the purchase of 10 properties. By June 2012 these loans had been fully paid without penalty.

Ownership Benefit

The psychological (and social) benefits of the sense of ownership are interconnected with actual ownership and relate strongly to the cultural and social power of the idea of home-ownership as embodied by the 'Australian Dream'.

Diversity Benefit

There is a need to increase the *diversity of housing*. Cooperative Housing offers models of housing tenure which responds to other life aspirations (social, personal and ecological) and the changing (inter-) generational dynamics of the globalising and re-localising world; based on member tenant ownership and/or control.

Security Benefit

The tenants of a co-operative are also the member owners. In co-operative housing this creates a unique sense of security.

Control Benefit

Cooperative control is embedded in the purpose, philosophy and structure of housing co-operatives. Co-operatives ownership, therefore, strengthens a sense of place because the tenants are member-owners.

Community Benefit

Community development is unique to co-operatives that involve the essential basis for member control – education and training of members, democratic functioning, effective meetings and good communications. Community development

in a co-operative aims to empower the members of a co-operative to influence the goals and decisions of the co-operative.

The challenge for housing co-operatives is to crash through the Victorian Government's consultation on social housing—to demonstrate that the co-operative model is already viable and sustainable, the unique features of the co-operative model and how it is important to maintain and develop this uniqueness.

SouthEast needs to be seen as a viable option and get a potential share of any growth in community housing. Although SouthEast is not a big player and not seen as a big player, we are important. Throughout the world, housing co-operatives are large and successful – 210,000 housing co-operatives with more than 18 million properties and 27 million members.

Co-operatives recognise the right of Government to regulate, but regulation needs to recognise the diversity of housing providers and their differing characteristics. Government decisions on the future of social housing need to recognise

that the tenants of housing co-operatives are also members and that co-operative membership has to be voluntary, and co-operatives must retain the capacity to choose tenants who will become co-operators. If housing co-operatives were forced to accept tenants who have no interest in, and capacity for becoming co-operators, then, the integrity

‘... across Victoria, rental housing co-operatives provide affordable housing to over 6,000 people, including 2,240 children, in 2,500 homes.’

and cohesion of the co-operative is threatened. It will create tension between voluntary and involuntary members of the co-operative, and this will impact on operational capacity and long-term sustainability.

Growth, however, should not be at the expense of member ownership and control. As a co-operative, we need to keep members informed, provide services they deserve and have a membership that is willing to pick up the responsibility of membership as well as the benefits.

SouthEast has participated extensively in the International Year of Co-operatives 2012. We have done this because we believe that a commitment to co-operative philosophy also means a commitment to co-operative practice – by what we do and not by what we say. During IYC 2012 SEHC has:

- Co-sponsored with *bankmecu* the CEHL National Co-operatives Housing Conference on 8 March 2012.
- Co-sponsored the Co-operative Housing Project with other housing co-operatives.
- Commissioned *The Other Way Home* documentary and the advertorial *Co-operation Works*.

- Invited the Chief Executive and Principal of the UK Co-operative College, Mervyn Wilson to address a general meeting of members on 27 February 2012 and arranged for him to be the keynote speaker at the National Housing Co-operatives Conference.
- Attended the Australian launch of IYC 2012 on 22 November 2011 at Parliament House, Canberra, ACT.
- Attended the launch of the Australia Post stamp sheet and envelopes on 15 February 2012 in the Melbourne Town Hall.
- Arranged for a series of short films on Co-operation in Practice that feature the Chief Executive and Principal of the UK Co-operative College, Mervyn Wilson, and which look at Principles, Members, Governance, Education, Directors and Social Enterprise.
- Purchased and provided copies of the Royal Australian Mint IYC 2012 \$1 Collectable Coin to directors, members and staff.
- Published this booklet *Co-operators*.

IYC 2012 has provided an opportunity for co-operatives and SouthEast to demonstrate the validity of the co-operative housing model. We have also reinforced our co-operative identity within the co-operative and promoted the public visibility of SouthEast.

We are not talking about a notional and untested co-operative business idea. There's no reason why it can't work in Australia. It's sustainable, democratic and allows people to maximise their potential. It's about empowering people. Unless you have stable and secure housing, I don't see how you can deal with the rest of your life.

Ian McLaren is General Manager of the SouthEast Housing Co-operative Ltd. He joined the co-operative in 2010. Prior to joining SouthEast he worked for the non-profit sector in senior management positions for 28 years in housing and mental health. He is an accountant by profession. Prior to migrating to Australia in 1977 he worked for large multinational organisations.



Inclusive Democracy

Shirley Faram

I have been a co-op member for 25 years. I have been chairperson for 10 out of 12 years since we were incorporated as SouthEast Housing Co-operative Ltd in 2000.

I was a member of the former Frankston RHC, which was established in 1985. Like many members, joining was a result of being in housing crisis. After my mother and I were housed my life changed dramatically, going to meetings with other co-ops and generally learning what co-op housing was all about became very rewarding.

I had never been actively involved in any organisation before, yet alone a co-operative. Attending meetings and taking part in decision-making was daunting at first. I soon learnt that the co-op was a small community with every one helping and supporting each other. Frankston Co-op had general meetings of all members to make decisions.

Over the years, I was able to learn to take part in the committees, take minutes and express an opinion – doing things that I never thought I would be able to do.

Having secure and affordable housing was such a relief after so many years of the uncertainty of private rental. This left me with the realisation that as long as I participated, paid my rent and took care of my home that I had a home for as long as I needed it. What was very rewarding was seeing other members joining the co-op and watching them grow in self-esteem. Having secure affordable housing, allowed many members to advance their education and also some were able to get into the workplace and purchase their own homes. I always found this a rewarding part of being a member of a co-op.

In 1997, Frankston Co-op decided that it would be an advantage to start discussions with other housing co-operatives about merging to form a larger co-op, as we could see that some changes were going to take place in community housing. We were able to get three co-ops together and worked for about three years to form SEHC, this took place in July 2000.

For the first time, we formed a Board of Directors. Members of the Board of Directors came from three former co-ops and there was one independent Director. This was another learning exercise as we were acting on behalf of all 101 members; adapting to the change took a little time for some members. For me being a SEHC member and a Board member for the past 12 years has been both a challenge and a very rewarding experience. In 2004 Moorabbin RHC decide to merge with SEHC, this brought us up to 150 properties. We now have 160

properties – 10 owned by the co-operative. The other properties are managed for the Victorian Department of Human Services.

In recent years we had to go through the process of being registered by the Housing Registrar as a housing provider, which was lot of frustration and hard work. The Housing Registrar was established in 2005 and we became a registered agency on 21 November 2008.

By 2010 SEHC was right to be pleased about its achievements, but we were too pleased and complacent. We made a big mistake – issuing a new lease without prior consultation with members and the owners of the properties – the Department of Human Services. On the 13 January 2011 the Housing Registrar issued the co-op with a directive to develop a revised lease in consultation with members and DHS. On the 18 October 2011 the Housing Registrar withdrew the intervention.

The intervention by the Registrar was a worrying time. However, I am pleased to say that the Board and management are to be congratulated for the effort they put in to working to have the intervention resolved to the satisfaction of the Registrar and members. The intervention was a wake-up call for SouthEast as an organisation and as a co-operative.

I have found that being a Board member and working with and for our members has kept me busy and offered me opportunities that I never thought I would be able to have. I look forward to seeing SEHC increase its housing stock and give other needy people the opportunity to have secure and affordable housing.

The General Manager and the staff are a pleasure to work with and provide a dedicated and professional service to SEHC and our members.

Co-ops provide a higher level of asset management than public housing and are also financially viable and have always been so.

Public housing is in crisis due to lack of planning and funding and it has been stated that public housing has been running at a serious loss over many years. I would like to see the Government look to co-operative housing as an essential part of the future of social housing. Housing co-ops are the way of the future and should be promoted by both state and federal governments. Governments should actively work towards growing the co-operative sector in Australia. Regretfully in other States such as New South Wales, Queensland and South Australia, the co-operative has been or is in the process of being eliminated.

What is critical to SouthEast is the meaningful participation of members and we have worked hard to engage members over the last 18 months. Accountability and transparency can always be improved and we have upgraded the website and our newsletter by making them more professional, accessible and informative.

On the 30 April 2012 the Victorian Government announced a public consultation on the future of social housing, i.e. public, community and social housing. This was an opportunity for us to engage members in the development of a submission. The staff and/or the Board could have produced a submission but we wanted the members to own a submission, so we embarked on an extended consultation process with members over a three-month period. This resulted in:

- Six articles posted on the SouthEast website between 30 April and 6 July 2012.
- Two special consultation issues of the *Housing Futures* newsletter on 22 May and 5 June 2012.
- Three Member Forums on 12 June (Frankston), 18 June (Bentleigh) and 27 June (Bayswater North) attended by 21 members.
- A General Meeting of 29 members on 16 July 2012.

The agenda for the General Meeting was circulated before the meeting and included the draft minutes of the three Member Forums and a draft submission to the Victorian Government.

In brief, the general meeting confirmed the views expressed at the three Member Forums – members primarily see co-operative housing as a destination, they believe that there should be a universal right to affordable and secure housing, that there should be more co-operative housing opportunities, that the experience of SEHC proves that the co-operative housing model works and that the ultimate goal of Government should be to support diverse and mixed housing.

The whole submission was read – the question asked by the Victorian Government and the draft response – and members were invited to propose amendments, which would be discussed after the whole submission had been read to the meeting. There were 12 amendments that were discussed and adopted before the submission was ratified unanimously by the meeting. Subsequently, the Board at its meeting on the 27 July 2012 endorsed the submission adopted by the general meeting. The submission was forwarded to the Government on the 31 July 2012.

Rental Housing Co-operatives have an important role to play as part of the mix of housing options that can help to renew the social housing system in Victoria. SouthEast is financially sustainable and achieves consistent annual surpluses that are invested in new houses and improving existing homes. We have high levels of tenant satisfaction and a capacity for growth and innovation. We are also part of a worldwide housing co-operative movement – over 210,000 housing co-operatives with more than 18 million properties and 27 million members.

We must continue to engage with members and recognise that the Board is accountable to the members and that there is always a capacity to improve. There is a saying that co-operative housing is a pimple on the bum of Governments. We don't want to be a pimple on the bums of our members.

Shirley Faram has been Chairperson of the SouthEast Housing Co-operative Ltd since 2000 except for an 18 month period. She is a member of the board of Co-operatives Victoria. Previously she served four years as Secretary of Frankston Council's Good Neighbour program and four years as a board member and worker with the Bayside Youth Housing Project. She has been a member of a housing co-operative for 25 years – 12 with SouthEast and 13 with the Frankston Rental Housing Co-operative Ltd.



Making it Happen

Jim Kokoras

I joined the staff of SouthEast in August 2004. I was working as a builder and looking for some materials for a job I was doing in *The Age* when I saw an ad nearby for Property Maintenance with SouthEast, it sounded interesting. I applied and got the job. Previously I had worked as a real estate agent, a Housing Officer in the Ministry of Housing and a building company with a partner called Skilled Constructions. It was with Skilled Constructions that I saw the job.

When I applied and joined SouthEast, I didn't know much about co-operatives except what I had read in the ad. My job is to arrange for maintenance and co-ordinate the tradies with the members. There are 74 active tradies who we currently used – some for a number of years.

Communication between tenants and the tradies works reasonably well apart from a few occasions. It's not often we get conflict between tenants and tradies. Sometimes we stop using a tradie because they don't do right in respect of the co-operative's expectations and in dealing with a tenant. We had a tree-logging job, for example, with the workers drinking on the job and swearing amongst themselves. We don't get many complaints nowadays about tradies being disrespectful to tenants.

In my job I feel a sense of achievement when things work out right – when things are done and when tenants are not being inconvenienced because things are not getting done.

It's a fairly pleasing environment to work in. The people I work with make it a pleasant environment. It's not like other places where there is bitter in-fighting. We're all in it to make it happen, to make life easier for everyone – tenants and staff. We're all in it to make life as least difficult as possible.

I see SouthEast as a co-operative with the members owning the business – as a group but not so much as individuals.

I like the size of the co-op. I think it's good if it stays about the same size. Members have a say and it's manageable. There's understanding and support from the staff about member issues. If we got much bigger we'd lose that.

Jim Kokoras is Asset Co-ordinator for SouthEast Housing Co-operative Ltd. He joined the co-operative in 2004. Prior to joining SouthEast he worked as a real estate agent, a Housing Officer with the Ministry of Housing and established the Skilled Constructions building company.



Everything I Can

Jan Dickson

I joined the SouthEast Housing Co-operative in 2001. When I applied to the co-op for housing, I didn't know anything about co-operatives. At the time I was in private rental accommodation, my two boys were in primary school and my husband had left me. When three members of the co-operative interviewed me, I was asked what I could give to the co-operative. I said I would give you whatever you want – as a tenant and as a member.

I was also asked whether when the boys got bigger and left home, would I be willing to move to a smaller property. I said that I would and in 2008 I did move to a smaller property? I moved because I hoped another family would have the same opportunity I had.

The co-operative has given me a life, which I would not otherwise have had – a roof for my family and a backyard. You can make a home.

My whole family became involved in bowling. It's expensive – the clothing, the equipment, travel, accommodation and competition fees. I joined the Fundraising Committee of the bowling club. One of my sons represented Victoria in bowling and Victoria was the State champion that year. Without the co-operative none of this would have been possible.

As a Board we are accountable to the members. Being members ourselves we are working for what we would like as members – and giving back to members. We are not just being directors on the Board. We are members. As a director I feel I am helping members.

'I try and do what I can for the co-operative.'

Members are taking more of an interest in what happens to the co-operative. Members want strong people on the Board so that they know what direction the co-op is going and so they can feel confident.

I have learnt from my mistakes on the Board between 2002 and 2005. I have learnt to keep the Board and the staff separate. We have no right to go into the offices of staff unannounced. We don't have that right any more. We are more professional. I understand the difference between governance and management. If we have issues and queries we go to the General Manager. It's more professional the way it's done.

The staff of SouthEast understand where you are coming from and I don't know why some people fall behind in their rent. The staff will listen to you and work out a solution. I couldn't ask for better staff. The staff are very professional.

I try and do what I can for the co-operative. It might be small things but it's everything I can.

Jan Dickson has been a member of Southeast Housing Co-operative Ltd since 2001. She was on the board between 2002 and 2005 and returned to the board in 2011. She is a member of the board's Governance and Policy Committee.



Take your Pick

Joy Haines

I started with SouthEast in 2001 as Tenancy Worker. A friend of mine knew I was looking for a job and told me about an ad in the paper for a Tenancy Worker.

I knew what co-operatives were and I had previously lived at San Remo and was familiar with the fisherman's Co-operative. I didn't know anything about rental housing co-operatives.

It didn't take me long once I started to realise how great a housing co-operative is.

I have personal contact with our members because it is long-term housing and you get to build-up a rapport with many of the tenants. You can put names to faces, which you can't do in the private rental market.

With co-operatives you know the members are going to be around a long time. There is more stability and you're not dealing with multiple landlords. With the co-op everyone's on the same page here.

I worked in a real estate agency between 1986 and 1998. It was a small office in San Remo and you did everything – including rental properties. In the private sector it's hard to match landlords and tenants because of their different expectations. In the private sector, often landlords will only rent their properties for the short term.

There are good landlords bad landlords, good tenants and bad tenants.

SouthEast is a good landlord. We try to be as understanding as possible in all situations. We do, however, have a responsibility to DHS – to look after their properties – taxpayer properties. We have very few evictions – about 4 since 2001. We give every person every chance before it comes to that stage. Evicting people is not a pleasant part of the job – no one wants to make anyone homeless. I want to leave people I meet feeling better about themselves and their circumstances.

We're also a good landlord because we do whatever maintenance we can within policies and budget. We have limited funds and it has to be divided over 160 properties.

We've been travelling a lot better Since January 2011. We were being buffeted around in stormy waters for some time. Ian, the General Manager, and the Board have put us back on the right track. The right track is to continue to provide housing for people – housing that is affordable.

As a housing co-operative we are committed to secure long-term affordable housing for our members for as long as they need it and until, and if, they decide to

leave. This can only be the real basis for secure tenancy. We are not opportunistic-ally looking for replacement tenants who will pay more than our existing tenants.

Part of my job is to introduce new tenants to the co-operative – what a co-operative is, how SouthEast came into being and what their rights and obligations

are. It's not just getting a house there are also privileges and obligations.

'I work with really good people.'

I really enjoy my job but there are times when it is difficult – an example being the annual rent review. The deadline for this year's annual rent review was four months ago. By the

deadline, however, about 40% of members had not returned their rent review form. It's now four months later and there are a few members who have still not returned their form. One of these I have made five telephone calls and sent three letters.

These are the exceptions. I think of a lot of our members as friends. It's not unusual for a member to ring up and have a brief chat and share personal things, events and memories. It's a privilege.

I work with really good people. There are never any arguments. We have all been here a long time. The staff are very stable. We've got a very understanding and approachable manager.

I have lived in Traralgon for three years. It's a four-hour journey to and from work. It was never really a consideration whether I would leave or not. I really like the job and the people. The more I do it the easier it gets. I've been told I'm loyal and dedicated and I've been told I'm a bloody idiot – take your pick.

Joy Haines is the Tenancy Worker at the SouthEast Housing Co-operative Ltd. She joined the co-operative in 2001. Prior to joining SouthEast she worked in a real estate agency.



Members First – Past, Present and Future

Greg M. Nolan

I first became aware of co-ops in 1989, when I was a single parent, living in rental accommodation with my then two-year-old son, Matthew. I had been through a family court case, which was resolved in mid 1988, and once again found myself in the situation of having to uproot our nice little ‘pad’ in Caulfield, because it had been sold from under us, to the expanding accountancy firm next door, for redevelopment. This was not the first time I was forced to vacate a comfortable, stable ‘home’ because the economic advancement of business took precedence over me and my son’s security of tenure, and all the physical and mental well-being that goes with that.

So, I was very lucky and grateful to be accepted into the Moorabbin R.H.C. in October 1989, and housed almost immediately in the South Oakleigh unit in which I still live happily, and have enjoyed being an accepted member of the local community, all through my son’s primary and secondary years to the present day. There has been that one thing, Security of Tenure, that I consider as the single most important aspect of living in a pleasant and well-maintained co-op home.

This has not just happened, however, without effort and participation on my part, and other members of all co-ops. There have been plenty of ‘battles’ over the years, with bureaucrats as an extension of State Governments of the day. These have mostly been *Econocrats*, i.e. economic rationalists, who have failed to comprehend that ‘community’ rather than ‘market’, is a far greater driver of real economic health and progress, rather than short sighted budget and dollar savings, which inevitably lead to higher consequential costs and poor human outcomes down the track.

As referred to in *The Phoenix*, a 2010 booklet (pp 29, 30), published by SouthEast Housing Co-op, I was active in defending the co-op sector from the arbitrary and sudden attempt by the Ministry of Housing in Nov 1998, to end all co-op head leases as from end of June 1999.

We knew as a sector-wide group, that this purely economic and budgetary decision, based on a report by *KZ consultants*, would have resulted in community tenants having to revert to public housing tenancies, or some other form of *semi-privatised* housing management, none of which would have saved a single dollar for the government in the long term. We could all see that these decisions would cause much unnecessary anxiety and disruption to members and that the valued community aspect of their housing would become diminished.

It was also strongly believed that such arbitrary and far-reaching action was probably illegal, so the co-ops as a whole took on the Department to Arbitration, and eventually succeeded in overturning the decision and its undesirable consequences.

During the mid 1990s, I was involved, along with others from several co-ops, in the formation and incorporation of the Joint Housing Collective, which was the State-wide Peak body for Rental Housing Co-ops, and now is effectively under the umbrella of the Community Housing Federation Victoria (CHFV). I have had many philosophical and idealist debates over the years, with both co-op people and housing bureaucrats, including past and present personnel, particularly about the twin concepts of ‘accountability’ and ‘transparency’.

My line of argument has always been that concentration of power in the few, e.g. a Board or a CEO, rather than the traditional, more democratic principle of co-op members having a ‘clear view’ based on information, consultation and transparency, being an ultimate decision-making body, tends to result in less accountability, not more.

In the lead-up to, and since, the Housing Provider Framework was introduced in December 2007 there was much pressure put on Boards and management of co-ops to comply with the new regulatory regime, i.e. for ‘accountability’ and ‘transparency’ to be a focus of smaller groups, e.g. a Board. I believe that the SEHC management of that period from early 2005 to 2011 was clearly focused on concentration of power, and accountability was only upwards to the

Ministry or the Registrar, and decisions presented to the members were a ‘fait accompli’ in fact, and the process of making some very important decisions was not at all transparent.

I believe that the emotive issue over the controversial and questionable leases of 2010/11, that caused so much upheaval in our Co-op at that time, arose because the Co-op had allowed to let slip that basic principle of consultation with its mem-

‘... the Co-op had allowed to let slip that basic principle of consultation with its members.’

bers. Since the long and hard fought issue over the leases has been resolved, which I was involved with as part of the Lease Committee of 2011, I feel that the Co-op’s relations with its own members, has improved, but I feel there is still more to be done to achieve the right level of openness, i.e. ‘transparency’ to members.

So, as I said at the beginning, the two most important things to all co-op members are security of tenure, and a safe, well maintained home, and this is basically what co-op living offers us, ‘peace of mind’ and a ‘piece of land’.

This security, both mental and physical, is what we have all fought for in the past, and is still the most important thing to all co-op members, past, present and future.



Co-operative Community

Avril Lochhead

WAY back in 1996 I knew I was in financial strife. I was paying more than 55% of my Centrelink Sole Parent payment on the rented property housing myself and my two children aged 7 and 14. This large portion of my limited funds had implications on the rest of my household budgeting.

My kids grew up having 'Not I want days!' where we would catch the bus to our local shopping centre on a mission to *only* buy school shoes and nothing more ... no more 'I want!'

I mentioned my concerns to a friend, about having to move house again, as my daughter had spent Prep in one school and Grade one at another and it looked like we'd have to move as we just could not keep paying that kind of rent, and my daughter loved her school. She suggested I find a housing co-operative. Next thing I saw was an 'Information session' for a cooperative in my area. I was in awe of this style of affordable community housing and applied immediately.

I had an invitation to attend an interview, which was really nerve racking – and then held my breath.

Seven days later I had a call – I had been accepted as a probationer member and was soon allocated a property in a lovely, quiet street within the area of my daughter's current primary school. FANTASTIC!!

We have a pretty 3-bedroom weather-board with a large garden and massive liquidambar in the back garden – which I call the 'Golf course'. As an avid gardener I set about laying paving and establishing a rockery along the driveway up to the front door, this also cut down the maintenance.

A huge benefit of belonging to a co-operative is the community aspect. Initially we were self managing with members providing all the duties

required. I was active on various committees, and attended 'house clean-ups' as properties became available and new tenants were about to move in; this all expanded the camaraderie and friendships were made.

'Both my children have grown up within the co-operative culture and are community minded with a view to making a difference with their lives.'

As we evolved and merged into a larger rental housing co-operative, the requirements, legalities and knowledge to manage what was now a large not-for-profit enterprise became so complex we needed to employ qualified staff to provide the knowledge and acumen to ensure future progress.

Living in an affordable and maintained home has provided me with the energy to re-educate myself, as I don't waste time worrying or being concerned that I cannot afford expensive maintenance costs.

As a qualified trainer, I have recently launched an exciting new career supporting people returning to the workforce.

The emotional and physical security available through affordable co-operative housing cannot be understated.

Both my children have grown up within the co-operative culture and are community minded with a view to making a difference with their lives.

I really cannot ask for more.

In 1996 Avril Lochhead and her two children, David aged 14 and Jane just 7 urgently needed to find affordable housing as their rental property was costing over 55% of the Sole Parenting Payment. Thank God for the Rental Co-operative! Since becoming a member in 1997, Avril has re-educated herself and designed and facilitated various programs through Community Centres. Her *Success and the Single Parent* received newspaper attention through articles describing the positive influence, group camaraderie and pride the participants had gained during their courses. Articles on Avril and her family have also been written in *The Age* and *Thrifty Times*. Currently sub-contracted to a local Registered Training Organisation as a Vocational Trainer, Avril enjoys the outcomes through facilitating a five week program which encourages positive group dynamics and encompasses life-skills, personal development and is creatively supportive to assist participants re-gain positions in the workforce. Avril's children like a challenge too, as David is now working in Design animation in London with his Spanish partner Alicia and their two year old daughter, Ines – with another baby due soon. Jane has also been visiting London while the Olympics were on and will be on a working holiday for a few months. It is unlikely that any of this would have been achieved had Avril not accessed the supportive environment of the housing co-operative where she was able to focus on her own personal and professional development and be a positive role model for her children.



Co-operative Unity

Dale Carroll

I am not a co-operative member but SouthEast provides me with a nurturing and rewarding environment as a paid worker. Fortunately I get to work with the Board and members and other co-operatives and a great staff team.

I was born to be a co-operator. What defines me as a co-operator is a learned and deep sense of unity with others through the spirit of co-operation.

My world began in family diversity through family dysfunction and brokenness. My extended family and community provided the nurture and support for growth and development personally and socially. These experiences lead me to pursue and obtain a degree and post graduation qualifications respectively in local government business and psychology.

Housing co-operatives are defined by their principles one of which is co-operation. I have discovered co-operation in many places.

Over the years I have been involved in community youth clubs at Highett and Moorabbin, the St Kilda Police and Citizens Club and the YMCA in gymnastics, the Essendon Theatre Company, churches in South Yarra, Morawa in Western Australia, Lilydale, Millgrove and Yarra Junction, Strathmore and the College of the Bible.

I have been on the community committee for Anglicare, the management committee of a church based Lilydale supported accommodation agency and worked on the committee that developed and set up the agency. I have supported and accommodated children and young people in the family home, run parenting groups and my wife Gina has been a Nursing Mums Counsellor and group leader, making our home open to Nursing Mothers Association of Australia groups over many years.

I have also been a church elder, led communion and preached in a church at Mildura and Camberwell as a student minister and I am currently involved in preaching and leadership training. Later this year I will jump in tandem from an airplane to raise money for the local high school chaplain.

The community has given me so much and supported me so well. I have learned it is better to give than to receive and to ask not what can be done for you but rather what you can do for others.

When the office relocated to the Hub Plaza Business Centre one of the directors said to me that she was so happy, as in the past people looked down on co-op members as managers of lowly public housing properties. For her the new office symbolised shared responsibility and respect for members and success at

caring for the cooperative over many years, this was something to celebrate as it generated feelings of genuine pride. I was so proud of her as she spoke, the fire in her belly, the set of her chin. Here was a real co-op woman, a real example of someone worth following and serving.

Part of my role is to support co-operative member projects that deliver benefits to members. These can include increased participation, community capacity building, employment programs, establishing successful tenancies, energy saving

programs, member forums and developing social enterprise, like community gardens and home cooking skills programs.

My challenge to co-operators is to build and own social capital and a socially inclusive and connected community that celebrates its history, identity and values.

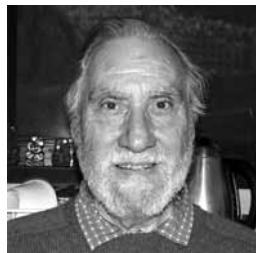
Poverty and intergenerational dysfunction

will decrease and co-op people will be justifiably proud of themselves and their improved ability to seriously influence the state to provide more affordable housing to an ever-increasing demand sector.

I am not a co-operative member. I own my own home, a gift from God for our family. But I am united to the principles that undergird the co-operative movement globally and locally and consider myself most fortunate and privileged to be one of its servants for which I give thanks to God each day. May he continue to bless SouthEast and its members, their families and friends and may they experience the peace and joy that comes from serving each other as co-operators in a genuine spirit of unity and purpose.

‘I have learned it is better to give than to receive ...’

Dale Carroll is the Compliance and Development Officer at SouthEast Housing Co-operative Ltd. Dale has a Bachelor of Business in Local Government, a Bachelor of Social Science (Psychology) and a Post Graduate Diploma in Psychology and is a qualified Parent Educator. He has worked on the sea, on the land, in manufacturing, retail, insurance, local government and not for profits helping homeless young people with education and work and assisting families to maintain tenancies.



Co-operation Naturally

Terry Brown

BEFORE I talk a little about myself, I will relate what I consider to be a few important observations. The Macquarie Dictionary defines a co-operative society as a *business undertaking owned and controlled by its members and formed to provide them with work or with goods at advantageous prices*. There is no specific reference to a housing co-operative, but by changing a few words it can also apply. It remains, however, a clinical explanation and doesn't tell us a great deal.

In a slightly different context, a practical demonstration of co-operation is the delivery of your morning paper. It takes hundreds if not thousands of people to bring us the bad news and gossip of the day. This happens when the foresters plant and care for the trees that form the pulp for the paper, to the lumberjacks who harvest the trees, the factory that makes the pulp that forms the paper, the writers of the copy that is checked by the sub-editors, the printers that print the paper and finally those who deliver it to your door or nearby shop.

This is co-operation on a grand scale and it happens all over the world every minute of every day in some form or other, from making a table to making war, or better still, to making peace and even managing the money markets of the world. Humanity as a whole and each person's very life depends on it. Without being co-operators the world, as we know it, would not survive the anarchy that would result.

All of this might seem far removed from the world of housing co-operatives, but is it? In the examples I have given there remains a competitive spirit despite the co-operation required. In the case of housing co-operatives I like to think of it as the famous phrase in the Alexander Dumas classic, *The Three Musketeers*, 'one for all and all for one'. This is I think the true meaning of 'co-operative' it allows for the best possible outcome of an endeavour in which everybody wins. If we hark back to the opening paragraph, we can define a housing co-operative as a business undertaking, run by its members to provide secure and affordable housing for its members.

We might even take it a step further and provide a mission statement such as, 'To increase and provide secure, affordable and environmentally sustainable long-term community housing managed by and for low income people that delivers excellent services to improve the quality of housing of residents', as espoused by SouthEast Housing. Isn't this a worthwhile goal and a lifesaver for many people? This, without too much imagination, also covers the dictionary

definition. Personally, I like the mission statement quotation; it really spells out what it's all about – co-operation and community, people all helping each other and themselves to a worthy end.

But what does it mean to those that, fortunately, are members of a co-op? I'll tell you what I believe it means for families in a housing co-op property. As a member of a co-op they occupy a privileged position in the housing market whereby at affordable dollars they are able to rent a decent well-maintained property close to public transport with almost absolute security of tenure. This means that families can have a much better quality of life. There is no need to be concerned about greedy, unsympathetic landlords, unfit premises in which to live or those far from public transport, shops and schools.

It means that Mum and Dad or maybe one or the other may not have to work such long hours to afford an exorbitant rent, put food on the table or pursue the near impossible dream of buying a home of their own; there will be more quality time for family life. Apart from the young or middle-aged parents, there are we, who have seen our youth and middle age pass into the great beyond but who are still sensible, upright, mobile and might I say useful. Older people such as me also benefit from housing co-ops. It can be very difficult for an older person to have the quality of life desired and deserved by every one of us. As we know much quality of life is measured by the amount one has to pay for a home in which to live with comfort and security at an affordable price. This is where co-ops come to the fore.

There are other models of various types but none offers the advantages of a co-op with the opportunity to be involved in the organisation at grassroots level or much higher, and make a genuine and major difference without participation being onerous. People need to be needed and it makes better people. It also provides the opportunity to make friends in similar circumstances and affords a sense of worth for everyone. When I joined a co-operative some years

ago from another similar organisation this became most evident.

My story with SouthEast Housing Co-op began around 2003 when my partner and I applied to be considered for housing after an unsatisfactory experience with another organisation and the private rental market. It took quite a while, some three to four years; eventually I received a telephone call from one of

'There is no need to be concerned about greedy, unsympathetic landlords, unfit premises ...'

SouthEast Housing's mainstays, the wonderful Joy Haines. Strangely, that very day I had decided I would ring her to see how our application was progressing and I told her so when she rang. Joy had rung to let me know that a new two-bedroom unit had become available in Frankston and would we be interested?

I of course vacillated endlessly as one does and said would it be possible to see it now, this very moment? Joy in calmer fashion suggested perhaps early the

following week. In high excitement we inspected the unit, I think on a Tuesday. True to her word it was brand new. It also had split air conditioning, a large living room, two sizable bedrooms with built-in robes, a well appointed kitchen with huge cupboard space, a toilet, bathroom and laundry. All rooms were fully blinded with fly-screens on windows and security doors, there was an intercom system and a garage with a remote controlled door. The rent we found out was considerably less than we had been paying privately. We decided to take the offer! We could not occupy it immediately as we still had about three months on our private rental property agreement. But the unit was ours for about \$25 a week until occupation. I mention this point for it is typical of the consideration and generosity of SouthEast Housing Co-op to all of its members, as I came to know in the years to come. I must also add that it is a solvent well run organisation, likely to be in business for many years to come. It is an organisation with heart as well as business acumen. You cannot beat that.

My association with SouthEast Housing is not as a member now, due to my own circumstances having changed, but because I believe passionately in the model and the wonderful ordinary people that form the organisation, people who are intelligent and dedicated to their cause, I am happy and proud to continue my association with this worthwhile organisation. As it becomes more difficult for ordinary people to afford a home of their own or private rental accommodation, I see this as a signpost for the future. There can be more and larger such organisations. We all need to make the effort to keep this model alive.

Terry Brown is retired. He was a member of the SouthEast Housing Co-operative Ltd between 2007–2011 and a director from 2010 until he resigned from the co-operative. Previously Terry had a gardening business for about 20 years and prior to that he worked in the public service.



The Personal Touch

Johnnie Tissera

MY family and I migrated to Australia due to the political uncertainties and the ethnic war in the 1990s in Sri-Lanka. After arriving in Australia we were renting for a short time near Monash University.

As our contract was almost over, we were looking for a new place to call home. My wife came across some information about co-operative housing and she rang up and left a message and few days later we were called for an appointment.

We were interviewed and were successful in qualifying for the SouthEast Co-operative Housing. We soon moved to Clayton South in May 2000. As we were moving to this house, one of the co-operative housing members with whom I did volunteer work, bought some beautiful seasonal flowers to plant in our garden.

The memory of these kind deeds lingers on and we can still remember the flowers, pink red and yellow. It is such acts that brought so much happiness to our lives. We have lived in this house now for nearly twelve years.

The SouthEast Housing Co-operative has been managing these properties well and I would like to state that we as tenants have immense privacy and the staff at SouthEast Housing are extremely understanding, supportive and very

efficient in dealing with maintenance problems which arise.

‘... we still lack the personal touch we had in the past.’

I would like to state that although we meet all our members at the Annual General meetings and other events, we still lack the personal touch we had in the past. This could be due to the fact that we are under a

bigger umbrella now. Therefore we should have at least an annual informal event to interact with everyone; I hope that everyone agrees with me.

Johnnie Tissera is a migrant from Sri-Lanka. He has completed a Bachelor of Philosophy from the Pontifical Urban University of Rome and a Bachelors Degree in Arts from the Peradeniya University in Sri-Lanka. Johnnie has worked for Mitsubishi Corporation Colombo Office as a Project Manager for nine years. This provided him with an opportunity to travel extensively in the Asian region for business negotiations. After migrating to Australia he has worked for the retail sector and is currently employed at the Chadstone Myer store. He has been with the co-op for nearly twelve years.



Co-operative Equality

Linda Seaborn

HOW we understand our place in the world is shaped by our relationship to the economy and where we fit in to it. If we are born into a family who have money and can use it to make things happen, we grow up with a sense of entitlement around decision-making. If our family is poor and has never been in a position of making decisions, we often grow up assuming that things like politics are nothing to do with us. This alienates large numbers of people from any sense of power and control over their own lives.

What does this have to do with co-ops?

Co-ops give us the opportunity to reshape our relationship to these power structures. In the have and have-nots world of power, co-operatives can give decision-making capacity to all members equally. This means that people who have been excluded from controlling aspects of their lives, can achieve more autonomy, an opportunity to lead a more fulfilling life.

If you have the means at your disposal, you can access the resources – the capital and the entitlement – to make the things happen which you want to happen. This is the case only for a few of us. Otherwise the way that we can make things happen is to pool our resources together, and to decide together what our goals are and how to distribute our gains (and losses) fairly.

Another forum in which we do this is trade unions. Why is that different to a co-op? At the end of the day, if our workplace is not organised democratically, if the surplus (and the losses) generated by our collective labour are the private property of others, then we will perpetuate a society of haves and have-nots,

of people who believe they are entitled to make decisions that affect others, and people who are alienated from decision-making. We will fail to fulfil any potential as human beings to build a healthy, rewarding and inclusive society.

In our unions, when we enter into bargaining, we are claiming a voice for the have-nots of the decision-making power. We are challenging those with the entitlement, the owners and the managers, to relinquish some of their power and

move closer to the democracy of a co-operative. However, whilst the owners of the business maintain ownership of the consequences of the decisions – the success or otherwise of the business – we end up in a tussle where the ‘bosses’

feel like it is not fair because they have to wear all the risk and suffer the consequences of all these demands the workers are making. They are positioned to be the ‘haves’ when it comes to the decision-making power.

What we don’t seem to realise is how retarding this is, how we fail to get the best from people when they a) are not entitled to make decisions about the things that affect them and b) are separated from the consequences of the decisions that they do make.

We could choose to make a business financially sustainable, rather than profitable, and create employment with the surplus. We could change the way we measure return, efficiency, success. The most efficient way to produce clothing is a sweat shop, which does not have overheads such as living wages, and costs of implementing workplace safety, and so more surplus can be directed to shareholders, or the clothing can be sold more competitively in the market. However, this creates an external cost, of employees who cannot support themselves to have a decent life. If how we measure the success is the maximum social good, or number of decent jobs that can be created from that business, then the co-op model serves us well. It is for this reason that 75% of the Fair Trade in the world is produced by co-ops.

It’s not really a new thing. My first bank account was with a credit union. My grandparents were members of mutual societies. But it could lead to something new.

‘Co-ops give us the opportunity to reshape our relationship ...’

Linda Seaborn became a founding member of the Cohousing Co-operative in 1993. She speaks Spanish and is interested in co-operatives in Latin America. Linda has worked in community services and higher education and currently works for the government supporting vocational education, and is active in the union movement.



A Sense of Home

Cathy Walker

DEAR Great-Great-Great-Grandchild, there are things about my life that I want you to know. As a young adult, I lived during times when things were simpler and the family was the cornerstone of all economic and social life. I write this in 2011, in a first world western society where we believe our lives to be complex, arduous, fractured and individualistic, and driven by the need for financial security. Yet, despite all of this, there remains a firm commitment by some to 'Community and Family' as society's top priority.

Some very smart and influential people got together one day in the last quarter of the 21st century to 'brainstorm' ways for government to better meet its obligation to provide housing for its citizens. (Yes, housing is now considered a basic human right!) Although political and global economic developments had begun to lead society down the path of what we call economic rationalism (a strange neo-conservative concept that sought to promote a free trade economy and privatisation of state owned assets and services, in particular that of housing provision), a few solid social structures and support groups and their philosophies had remained to meet society's objectives in a more communal way.

I was a very young unmarried mother when I applied for public housing. You may find it hard to believe, but there was a time when women were shamed by a system that financially and economically segregated mothers based on

their marital status. So, for my son, Shia, (your Great-Great-Grandfather) and me, moving into our first state provided home was a significant step towards independence. However, coming with that was the stigma, the lack of amenity provided and the limited say over our future. When

those same very smart and influential people I mentioned above, got together to create alternative models of housing, we jumped right in to help and the Northern Geelong Rental Housing Co-operative (NGRHC) was formed.

The NGRHC provided us all with a sense of community, houses that blended into mainstream urban areas, security of tenure, improved facilities and social pride. Remember that a home is more than just a building or structure that gives us shelter. It is a place in which we can be free to express ourselves, to learn, grow, thrive and feel safe. And that is the good fortune I wish for you in your lifetime, as it has been for me for the past 27 years in my beautiful co-op home.

'... a home is more than just a building or structure ...'

I wonder whether the NGRHC will still exist? I hope so!

Our modern day understanding of 'home' is inextricably linked with the social expectation that 'home' is only attained once an individual begins the arduous journey down the road to home ownership. To not travel this route, to opt for choices other than home ownership, puts individuals at the risk of not only insecure and unaffordable housing, but also sets them up to be judged as making less of a contribution to society than those who purchase a house.

The Northern Geelong Rental Housing Co-operative since its inception has at its *core* the belief that a sense of home is critical to a person's sense of self and well-being. Long-term affordable and secure housing that creates a sense of 'ownership' is the key to both individual and community prosperity. Home is not attained through purchasing debt or the location.

For members of the NGRHC, 'home' is not only a shelter or somewhere to sleep, but a place for socialising and building relationships, a place for work, for relaxation, for contemplation and a place where one's unique cultural identity can be expressed. Home is also critically linked to the individual's sense of community; where they are welcomed and valued.

Excerpt from *No one's Home*, Cathy Walker's Report into Homelessness for the Salvation Army, 2003

In this context the success of the NGRHC lies not in its exemplary property and tenancy management, or the opportunities provided to members for participation education employment or social connectedness, but in the sense of 'ownership', security, community and liberty that is guaranteed for its membership.

If decision-makers are only concerned with putting roofs over people's heads, providing short-term solutions to long-term issues, then the ongoing 'housing' and social inequities that plague our citizens and government alike will only continue. Personal, co-operative, respectful and supportive housing such as that supplied by the NGRHC, proves a significant solution in addressing long-term affordable housing.

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Rebranding 'Co-operative Identity'

Rob Wardell interviewed

THE United Housing Co-operative provides safe, secure and affordable long-term housing options for low to moderate income families with the objective of assisting them to develop an improved quality of life. Since 1983, the Co-operative has grown to include some 94 properties in north and west metropolitan Melbourne. Whilst the Co-operative has a professional staff, members are involved in all aspects of governing and developing the Co-operative. They also provide member support services, run a social club and undertake advocacy work on behalf of community housing.

The Footscray Rental Housing Co-operative (FRHC) was established in the early 1980s by a group of community-minded people who responded to the Victorian Government's initiative that encouraged the development of rental housing co-operatives. The Government provided a community worker to help initial members establish all areas of business, including finance, property maintenance, and tenancy management. Members were taught how to conduct meetings and manage the Co-operative.

By 1985, the Co-operative had become a registered business, with a Committee of Management in place. Property management was separated into four groups of 11 properties each, with members responsible for all works, including inspections, quotes, tradespeople, painting and gardening. Members participated in the running of the Co-operative. Within five years, the Co-operative was self-sufficient.

In 2006, the Office of Housing adopted a new housing policy framework in which it established a five-year Housing Provider Framework (HPF) lease. That same year, the Essendon Co-operative closed and joined FRHC, creating a much larger housing co-operative.

During this period, the Victorian Government decided to introduce a regulatory system for community housing that required co-operatives to become Registered Housing Providers. FRHC was registered in October 2008. This significant change in regulation meant that the Co-operative had to establish a Board of Directors and a professional management structure to govern and manage the Co-operative.

In recent years, the Co-operative has seen significant membership and property growth. Business Manager Rob Wardell recognised that members had been subject to considerable organisational and cultural change, and saw a need to refocus the Co-operative's identity and foster a sense of community. He also

wanted to be sure that United Housing had a 'unified identity' and the appropriate communications structure in place to inform and empower members.

The first step along this path was a name change. In July 2010, the Co-operative changed its name to United Housing to reflect the merger of the Footscray and Essendon co-operatives.

Rob then contacted goodcompany, a group of young professionals who volunteer their expertise to assist not-for-profit organisations. In April 2011, he initiated a project request for rebranding and strategic communications planning. He

**'... a renewed spirit
of community and
a sense of pride ...'**

found two 'consummate professionals' in Anu Srinivasan and Meera Jethmal, with the skills, interest, and the commitment to support this project. Anu, a National Australia Bank employee, was excited

at the opportunity to apply her change management skills. The three met and established a project plan, which outlined specific milestones and key decision points, and provided a time-line for the project. Anu and Meera conducted a series of information gathering and assessment activities. Anu documented the current environment and culture of the housing Co-operative and developed a communications plan. Meera's branding strategy work included crafting a brand value message and conceptualising a logo for future development to be used on the website.

In September 2011, the United Housing Board was presented with a final report of branding, change management and communications strategy recommendations, including a 'framework' to follow.

Having conducted focus groups with members, they found that whilst the Co-operative had a forward thinking Board with the desire to grow and extend its services to members, there was no 'common culture' and 'members had not been brought on the same journey'. The Board had passion and vision that wasn't shared by its members. Many did not have a sense of belonging to the Co-operative and did not feel they were part of key decisions made about its future. There was a clear need to address this dis-empowerment and give back some control to members.

With the rebranding, Rob hopes that the Co-operative will nurture a renewed spirit of community and a sense of pride, to empower members and to create an

environment where members are proud to be associated with a community that is socially aware; friendly, open and supportive to other members; curious and genuinely interested in contributing to the Co-operative; 'community activators'; and switched on and socially aware.

Now, almost a year later, Rob continues to see the positive impact that these activities have had on the United Housing Co-operative. He knows there is long-term value in the strategic activities they undertook, and is interested to look back again in a few years to see what else has come to fruition.

As the organisation evolves, the United Housing Co-operative will continue to advocate for an increased role for community housing, seek to be a 'model' housing service provider and to develop projects and services aimed at meeting the needs of its members.

Rob Wardell is Business Manager at United Housing Co-operative. He joined United Housing, one of Melbourne's larger community housing co-operatives, in 2009. Although relatively new to the housing industry, Rob has over 20 years experience in senior management and organisational development roles across the community sector as well as the sport and tourism industries. With significant practical experience in strategic leadership and organisational governance, Rob has been a board member of Community Housing Federation Victoria (CHFV) since 2010.



Now and Future Generations

Karren Walker interviewed

TWENTY years ago Karen Walker was working part-time and studying, struggling to pay rent in the private rental market and about to drop out of tertiary education.

She joined Earth CERC and keenly participated in the early establishment of the group. In a relatively short time the Co-op acquired a CEHL-owned house, part of the Earth Co-operative in Melbourne's northern suburbs, and Karen has lived there ever since. She has been a strong participant in her Co-op and eventually joined the CEHL Board and is its current Chair. In the subsequent years Karen has finished her original degree and gone on to enjoy further educational and professional achievements, many of which would have been a greater struggle were it not for the physical stability of co-operative housing and the mutually supportive co-op community.

Co-ops are a relatively unknown tenure option, one that provides housing security as well as a strong community and a place to learn and utilize new skills. Co-ops

'... for someone else to enjoy in future generations.'

are here for a real mix of people, & CEHL provide a broad range of affordable housing, whilst maintaining a strong central ethos about the Co-operative program.

One of the key features which Karen believes underpins the success of participation within the Co-op is the original

notion of 'sweat equity', where each of the co-operatives carries out some of the maintenance themselves as well as rent management and this is offset against their rent costs, keeping it at an affordable range, an increasingly important factor for single person households. Whilst Co-op's don't own their houses individually they invest time & care in their homes just as if they did.

For Karen she likes to think of her role as 'stewardship', managing and caring for the housing asset in her lifetime, for someone else to enjoy in future generations.

Karren Walker is a long-time member of Earth Common Equity Rental Housing Co-operative (CERC), in Melbourne's northern suburbs. Earth is a group particularly interested in and committed to environmental issues and promoting a sustainable future for all; Co-operative housing is an expression of that desire. Karen's involvement led her, in 2005, to stand for the Board of Common Equity, in one of the five positions reserved for Co-op members. She has been Chair of the Board since 2010.



A Life Lived Well

Rhonda Wilson interviewed

RHONDA Wilson is a stalwart of the Common Equity Housing Program. She's been a housed member of Endeavour Common Equity Rental Housing Cooperative (Endeavour CERC), in Berwick, Melbourne, since 1996. Endeavour is small group, with just 9 houses for many years, recently bolstered by another five to make them 14-strong.

Rhonda has been a member of Endeavour's Board since first joining the CERC and one of the five tenant/ members elected to the Board of Common Equity Housing (CEHL), the parent company of the CEHL Program, since 2000. She has now been on the CEHL Board for 12 years. But Rhonda made it very clear that in agreeing to this article, it's about promoting the housing co-op program, not about her!

In the late '90's Rhonda found herself a single parent with a baby daughter, lacking in self-confidence and unhappy about the stigma that attaches to single parents. She was determined to do better and the CERC Program has enabled that. That baby daughter is now 17; a 'co-op kid', raised in the CERC house for her whole childhood; the CERC has provided Rhonda and her daughter with a quality home, security of tenure and an affordable rent – enabling Rhonda to fulfil her commitment to her daughter.

Rhonda has been a very active CERC member – for many years she was the CERC's Maintenance Director, managing all repairs and cyclical maintenance (re-paints, refurbishments etc.), coordinating tradesmen, conducting property inspections on behalf of the CERC as landlord, organising spruce-ups for vacant houses prior to re-tenanting – and completing Condition Reports. All these

skills, learnt through training and support provided by more experienced members or the staff of CEHL.

Rhonda attended a National Housing Conference in 1999, with a number of other co-op members; it was there she was encouraged to

step up and move out of her comfort zone and stand for the CEHL Board. She was successful in 2000 and found herself on an extremely steep learning curve, in understanding the breadth of the Company's operations and the role of a Company Director. She's seen the Company through lean times, with no growth

for the best part of a decade, through a very considerable expansion over the last five years.

Rhonda has applied the budgeting and planning skills, learnt through the Co-op and the CEHL Board, to her own life – and prides herself on teaching them to her daughter. It's always been a low-income household, but they have lived well!

Endeavour CERC started as a group of single parents on benefits – it has provided opportunities for many of them to achieve their potential; they count a doctorate student, a qualified nurse, a small business operator and qualified childcare worker, all with qualifications gained since they joined the cooperative, as members. Rhonda says it's the best thing that ever happened to her!

Rhonda Wilson is a long-time member of Endeavour Common Equity Rental Housing Co-operative (CERC), in Melbourne's eastern suburbs. Endeavour has a very diverse membership, with new members coming from the Horn of Africa communities, in recent years. Rhonda has, at various times, held most of the volunteer roles in the CERC – most recently as Treasurer & Rents Officer, and has been a Board Member of CEHL since 2000. She is currently Deputy Chair of the Board.

'... it's about promoting the housing co-op program ...'

Historically Unique, Maryknoll

Angelique Eccleston and Des O'Connell, Maryknollers

FOUNDED in June 1949, Maryknoll is a rural community nestled within the northern foothills of Cardinia Shire, Victoria. Maryknoll has been built over time on small steps and has grown out of a well thought out plan, providing for a balanced blend of co-operative, social, spiritual, environmental and town planning principals, all soundly designed to foster unity, peace and love.

Today, Maryknoll teems with significant social, spiritual, environmental and historical values indicative of State and National recognition. These are values that today's Maryknollers seek to have fully assessed to gain heritage and environmental protection through legislation. The protection is necessary to ensure this historically unique rural community escapes urbanisation and avoids fragmentation, so values remain intact and continue to be honoured and preserved.

Drive into Maryknoll today and you'll find near 200 properties with lot sizes ranging between 2 to 9 acres, all surrounded by a rural buffer. Each lot was designed to be self-sustaining, free from main services, with ample room for a vegetable patch, family involvement and animal husbandry practices. You'll find the majority of the houses, some of which are post-war, blend in beautifully with the natural environment.

Maryknoll sustains over 40 hectares of bush reserves peppered in and around a community who cares for it. The nature reserves teem with environmental significance on multiple levels and play an integral role in linking the community with wildlife corridors and over five kilometres of walking tracks. Most of the roads are unsealed and have Koori names, honouring the land's ancestral heritage.

The town planning is designed to foster unity and connect the community, based on Burley Griffin's design principals reflected in Canberra. All roads in Maryknoll lead back to the heart, being the Civic Precinct, locating the CFA Station, Father Pooley Memorial Hall, the Holy Family Church, and the General Store nestled in St. Joseph's Square. You automatically sense there is a social, structural and natural order about this peaceful settlement that randomness could not have a hand in creating, and didn't.

Maryknoll is Maryknoll because of a well-thought out plan that has been carefully implemented through small steps, slow growth, and, in part, has naturally evolved. Yet there was once a time in our history when Maryknoll was no more than a seed for potential thought inside the mind of one man – a young,

courageous, charismatic Victorian of Irish decent named, Father Bill Pooley, Maryknoll's founder.

In the early 1940s, Father Bill Pooley was in the Corpus Christi Seminary at the Werribee Mansion, Victoria. He was a young priest living in times when communism and capitalism were shooting roots the world over and fear of living under such social systems was rife, further influenced by the controversial Spanish Civil War (ended late 1930s). A decade later, as a result of War World II, the United Nations was formed.

During these times, Father Pooley developed a keen interest in Catholic Action in Australia and his thoughts and ideals were greatly influenced by the discussions held at the Campion Society, a lay Catholic adult education movement formed in 1931 within the grounds of Melbourne University and named after the English Jesuit Edmund Campion (1540–81).

From out of the Campion Society there grew a new social and philosophical awareness. The schools of thought hotly discussed by this small group of intellectuals and university students included Papal encyclicals and the works

of the English Catholic sociological thinkers Hilaire Belloc and Gilbert Chesterton, who formulated Distributism, an economic philosophy considered the Third Option. Its practical implementation in the form of local co-operatives has been documented by Race Mathews in *Jobs of Our Own*.

One Papal Encyclical Father Pooley read that greatly inter-

ested him and also influenced Belloc and Chesterton in the formulation of Distributism, acting as a launching pad, was *Rerum Novarum* 1891, by Pope Leo XIII, as being the way forward to foster social order and justice. The encyclical read:

If working people can be encouraged to look forward to obtaining a share in the land, the consequence will be that the gulf between vast wealth and sheer poverty will be bridged over, and the respective classes will be brought nearer to one another. A further consequence will result in the greater abundance of the fruits of the earth. Men always work harder and more readily when they work on that which belongs to them, nay, they learn to love the very soil that yields in response to the labour of their hands, not only food to eat, but an abundance of good things for themselves and those that are dear to them. That such a spirit of willing labour would add to the produce of the earth and to the wealth of the community is self-evident. And a third advantage would spring from this: men would cling to the country in which they were born; for no one would exchange his country for a foreign land if his own afforded him the means of living a decent and happy life.

'It was a day in history when the seed to create the Maryknoll Community was planted in fertile soil.'

In their formulation of Distributism, Father Pooley was aware Belloc and Chesterton had analysed what had worked in medieval times, before the development of the capitalist philosophy as first articulated by Jean Quidort (d. 1306) in the theory of *homo economicus*. Belloc and Chesterton promoted that Distributism could be successfully realised by firm commitment to the principles of subsidiarity and solidarity (being built into financially independent local co-operatives).

G. K. Chesterton, in his book, *The Outline of Sanity*, says of these times:

It is a time that man exercise his free will and decide to regain the fullness of his individual, familial, and community life by renouncing or tempering his involvement with an economic system, and with its technological substructure, which rips from him two of his most precious commodities, his own labour and the fruit of it. How can a man be happy, with a truly human happiness, unless his own work is controlled by his own will and not subordinated to the profit-making demands of the owners of capital and the means of production? How can the God-ordained nature of work be realized if neither his hands nor his mind manipulate materials provided to him directly by the Hand of Almighty God according to forms that are derived, through the agency of the human intellect and imagination, from the natural created structure of the world?

Father Pooley clearly recognised the principals and values underpinning Distributism, backed by a financially independent cooperative, would greatly assist in creating a sustainable rural community. He recognised Distributism as a way to foster ownership of the means of production that would be spread as widely as possible among the populace, as opposed to being centralised under the control of a few controlling parties.

Father Pooley once wrote in the *St. Mary's News*, 'Since the beginning of the great industrial movement, man has become an adjunct to the machine – an instrument of capital for the purpose of production'.

He saw Distributism as providing the basis for a sustainable way for families to live on the land, be close to nature, become a stakeholder in property and the fruits of their labour, and feel a strong sense of community-belonging that would foster well-being. He believed such a community would naturally encourage friendship, unity, peace, love, a willingness to participate and provide for a substitute to the secular industrialised society.

Throughout his days at the Corpus Christi Seminary and afterwards, Father Pooley was greatly influenced by Archbishop Dr. Daniel Mannix, a leading figure in Catholic Action during the Great Depression, the lead up to World War II, and beyond.

These events profoundly affected the thoughts of people, who were living in these stark circumstances. The prosperity and relative peace being enjoyed nowadays make these social and economical problems appear as theoretical exercises, but fragile world peace and economics should alert our

awareness of these issues, so that we may see them more clearly as did Father Pooley.

As did Dr. Daniel Mannix who, at a convention of Catholic University bodies, made it clear that he would consider supporting any proposal that would promote Christian social order and justice:

You are the leaders of the people – any ideas that you may initiate to make things better than they are at present will receive a cordial welcome, and will be assured of the utmost consideration. And I can assure you that I shall leave nothing undone to give effect to any feasible proposal.

In the late 1940s, Father Pooley met with Archbishop Dr. Daniel Mannix to speak of such a proposal. A proposal to create his vision of establishing a small rural community based on a sound plan. Father Pooley received Dr. Mannix's full blessing and support for the project and to such a degree that Dr. Mannix created the Parish of Tynong North at the inception of the work.

As the new Parish Priest, and in his own words, Father Pooley said in a *St. Mary's Newsletter*, 'It showed, more than anything else, His Grace's confidence in the work and his desire to encourage its success'.

Father Pooley established links with the National Catholic Rural Movement (NCRM). The principal aim of the NCRM was to support Catholic Farmers, promote decentralisation and community well-being and cooperatives as an organisational form, reflected in Distributism. With support and guidance from the NCRM, Father Pooley on the 19 June 1949, registered the St. Mary's Cooperative Society. Four days later, on 23 June 1949, the St. Mary's Co-operative Society purchased 540 acres of land in Tynong North, within the then Shire of Berwick. It was a day in history when the seed to create the Maryknoll Community was planted in fertile soil.

Father Pooley recognised a great deal of work lay ahead for himself and the founding families, but more importantly he knew the real work had begun.

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Y.C.W. Co-operatives

Ted Long

THE YCW is a movement of education, service and representation, designed to unite Christians more closely to Christ their Redeemer and to lead others to Christ. The technique of the YCW is based on the fact that its design is to be fulfilled in a world in which human frailty of man is assailed by many factors which hinder a love, knowledge and imitation of Christ.

One of these damaging factors is the economic situation of the community, which does not make it easy for the ordinary person to fulfil God's plan for him.

God created man to His own image and likeness. Man has a dignity. To attain that dignity he is entitled to freedom. Freedom means among other things, economic freedom. Freedom to choose a job or career of his own liking, provided he is not opposed to the common good or the law of God. It means the right to an adequate wage to enable preparation for marriage and for the married man to support his family with reasonable security and comfort. To safeguard his independence and aid his personal dignity, man has the right to acquire some personal property, particularly his own home.

In Australia the economic set-up is far from ideal. There are many good things but the worst factor is the small percentage of people who have any control of productive property. To change this is not easy. Yet the technique of the YCW is admirably suited to contribute largely to such a change. For such a change will depend on education, on facilities for people and on well-prepared representations to authorities.

The co-operative is one service that the YCW has sponsored in Australia, especially in Melbourne, which is essential to beneficial economic reform.

The Melbourne YCW has sponsored 13 Co-operative Housing Societies, a Consumers Co-operative Society, a Co-operative Credit Society, and an Association of Credit Societies. The Consumers Co-operative includes a Trading Division, a Building Division and an Insurance Division.

The Housing Societies since their formation in 1945 have financed approximately 1600 people to build their homes, whilst about 300 people have finance reserved for them to build their homes. These Societies have offered long-term loans at repayments cheaper than any other housing finance body except War Service Homes. High building costs and interest increases in 1945 prevented many low wage earners from being able to finance a home even through Co-operative Housing Societies. The YCW made several representations to authorities to help partially overcome these problems but as yet no success has

been achieved. The present shortage of money available from lending institutions for Co-operative Housing Societies emphasises that co-operatives dependent on private finance sources cannot fulfil all their plans.

This adds points to the great value in Co-operative Credit Societies. These are societies formed by groups of people in a parish or in a place of work, which operate just like savings banks. However, they have this difference – they are run by and for the benefit of their members. Interest is paid on deposits members make with the Society and members can obtain loans from the Society for good and necessary purposes, at a low rate of interest.

The Credit Society is the basic Co-operative Society. From it and around it can be developed other types of Co-operative Societies. It encourages thrift, it trains people in the sense of responsibility of how to manage money, it develops a spirit of charitable co-operation, and it accumulates funds the use of which is dictated by need and not by profit.

In the first year or so, a Credit Society can usually lend only small amounts. As members continue to support it and recruit new members to it, the Society can make larger loans. An Association of Credit Societies enables surplus funds in one Credit Society to be utilised in another where money is needed. It can also introduce other benefits such as life insurance safeguards.

A Means of Saving

The YCW should take an active interest in fostering parochial Credit Societies for it would be a valuable service to assist young workers to save money for their future. Also the Credit Society properly developed can assist people to finance commencement in a business of their own.

Another immediate benefit from a Credit Society is for the person or family obliged to buy goods on terms. Take for example a person buying an article for \$60 on usual hire purchase charges. Say he pays a deposit of \$10 and the balance of \$50 over 12 months. His interest charge amounts to \$4/10/–.

Through a Credit Society if he borrowed £50 repayable in 12 months, to pay cash for the article, his interest charges would be £1/4/–. The big difference is further accentuated, the larger the amount and the longer the repayment period. Hire purchase charges are on the initial balance throughout, whilst Credit Societies operate at a lower rate of interest and on a monthly reducing balance.

Reprinted from Conquest, Y.C.W. Melbourne, April–June, 1945 Vol. 1 No 2, pp 16–17.

Edward James Long OAM. (1921–2008) was central to the YCW Co-operative Movement in Victoria – the YCW Co-operative Trading Society was formed in 1948 with Ted Long assuming the secretarial duties in 1951, the Association of Catholic Co-operative Credit Societies (ACCCS) was formed in 1957 with Ted as its first Secretary and in 1961 Ted was the foundation secretary of the Co-operative Development Society, formed to develop educational programs and promotional materials for all forms of co-operatives.



Canada's Values and Education

John McInerney

An extract from a report from a study tour to visit Co-operatives and peak organisations involved in the Canadian Co-operative Housing movement in August 2008. The tour was conducted between August 18 and August 29 2008.

Co-operative housing is far more developed in Canada than in Australia. There are over 90,000 co-operative homes across Canada owned and managed by over 2000 co-operatives. The scale size and operational models do vary across the different provinces (States).

The origins of co-operative housing in Canada date back to the early sixties but certainly had widespread support and rapid growth throughout the seventies and early eighties. Unlike Australia the initial impetus for the development of co-operatives came from a broad range of different interest groups rather than from a government initiative. It also should be noted that there were two strong and complementary driving forces behind the emergence of co-operative housing, the desire for affordable housing provision and also a lobby for a genuine alternative to private ownership. The strong support for co-op housing from the credit union movement, other existing co-operative enterprises and the trade union movement was as much about alternative tenure and consequently viewed as a mainstream housing initiative. The strong support and investment from church or welfare based agencies was probably driven by the desire for affordable housing for the financially disadvantaged.

There were a wide variety of models that developed in a range of different aspects-size, financing models, operating models with some very different patterns emerging in different provinces.

The co-ops vary enormously in size from very small co-ops with a handful of properties to large entities comprising hundreds of properties. The largest single co-op has over 400 members. There were no opinions amongst people I interviewed or any empirical evidence that the size of a co-operative affected the long-term viability of co-operatives.

There were strong advocates of the Canadian model, as it is more in line with the broader principals of co-operatives being autonomy and economic independence. However there are also disadvantages especially in the instance where there have been significant contributions from government, as there are concerns or perceptions of lack of control or potentially financial advantage to the co-operative members.

There are also various models of voluntary contributions by members, employment of staff or more commonly purchasing of services from outside organisations by co-operatives. Again this was an area of differing opinions, but there was general consensus that the employment of co-operative members as staff was problematic, and also that employment of staff by smaller co-operatives often proved difficult with both adequate range of skills and employment conditions being problematic.

The problems of active member involvement sounded very familiar with too much left to too few. People only seeking membership for the housing benefit were also common problems encountered and sounded very familiar. Though it was strongly agreed that education and better strategies for engaging people could be taught to co-ops through well planned and delivered programs.

The Importance of Retaining Core Values

The success of the Canadian movement is based around very strong core values. These are quite simple but must be continually reinforced throughout the sector.

Co-operative members understand and are committed to the international principles of co-operation – co-operative members must cooperate.

CEHL as the resource agency must take a lead role in educating co-op members and also training existing members in passing on the co-operative values and practices to new members. The Federations in Canada have developed

some excellent training resources and material which are readily available for CEHL to use. There are specific programs developed to address issues common here in Victoria such as participation, sharing workloads, governance, housing management etc.

Co-operatives exist to provide affordable housing. Affordable means rent and charges are within each individual member's means to pay and that the costs of the housing compares favourably to the costs of private housing in the same market. It does not mean that all co-op houses are provided at a great bargain price for every member.

‘Co-operative housing is far more developed in Canada than in Australia.’

Security of tenure underpins co-operative housing. Security of tenure is of equal importance to affordability. This means that every co-op member who meets their obligations under their co-operative membership rules and their tenancy agreement will not be required to move from their property involuntarily.

Co-operatives provide other benefits to members beyond affordable and secure housing. Co-operative members should benefit through their membership through involvement in decision-making, mutual support, social networking and opportunities for personal development.

Co-operatives must establish and retain good positive links within their broader communities. Co-operatives must establish themselves within their own communities and broader public arenas. Members should feel proud to be members of their co-operative.

The Canadian model success comes from their development and promotion of co-operatives as a housing choice. Whilst it is important to expect co-operatives to provide this choice to needy people in their communities, the success of the Canadian model is that it is not viewed as welfare housing, but rather a housing system that includes, rather than excludes, needy people. There are many financially and socially successful people who make informed decisions to join housing co-operatives, which ensures co-operatives are both financially viable as well as well-managed organisations. Victorian co-operatives should be encouraged to identify needy populations that they wish to include in their co-operatives but not be expected to cater exclusively for high needs people.

John McInerney is the Managing Director of Common Equity Housing Ltd. CEHL is a company owned by 120 voluntary housing co-operatives in Victoria. The company currently owns over 2029 properties that are head-leased to its shareholder co-operatives. The properties are currently valued at over \$650 million. John has held a number of senior positions in the community housing field both in the non government and government sector. In 2002 John was appointed Managing Director of Common Equity Housing Ltd. The company has experienced significant growth over the last few years completing a construction program of over 400 dwellings since 2010.

Co-operatives Australia

Co-operatives Australia has published a series of statements in recent years (a) Co-operative Education – affirms the importance of co-operative education to the co-operative business model e.g. agricultural, child care, commodity, fishing, housing and retail co-operatives. (b) Public Policy and Co-operatives – demonstrates the economic and social value that can be delivered by co-operative businesses and the need for public policy to incorporate the co-operative option. (c) Valuing Co-operation – affirms the importance of co-operatives recognising that demutualisation is not inevitable; that a subsequent loss of member ownership and control has significant consequences; that there are alternative strategic and structural choices, and that balanced information is the prerequisite to informed choice and (d) Australia's Top Co-operatives, Credit Unions and Mutuals to facilitate greater awareness of their economic and social impact.

Co-operatives Australia is the national body for state Co-operative Federations. It is an unincorporated body with membership by the State Co-operative Federations of New South Wales, Queensland, South Australia, Victoria and Western Australia. Victoria represents Tasmania.

Co-operatives Australia is apolitical and does not take sides between Federations and co-operatives. While advocating the co-operative option, Co-operatives Australia will not become involved in detailed industry specific or social issues unless requested by any industry specific members.

As an apolitical peak industry body, Co-operatives Australia encourages government and non-government parties to have suitable policy statements developed, adopted, regularly reviewed and up-dated, and widely published.

Comments on these statements are invited and can be directed to – cfv@australia.coop. The Co-operatives Australia website: www.australia.coop.



The first contribution is presented by the A/Chairman of Co-operatives Australia, David Griffiths – *Australian Co-operatives and Co-operatives Australia* – provides an overview of the work of the State Co-operative Federations.

Australian Co-operatives and Co-operatives Australia

The Australian co-operative sector covers a wide range of industries, services and functions.

By their very nature, successful co-operatives bring together people with a common interest and shared goals. This gives rise to various forms of concentration of heterogeneous groups, mostly often reflected in the past through some form of geographical boundary. These geographical boundaries have traditionally been at a local, regional or state level.

However with high-speed communications and improved transport options the 'tyranny of distance' is less of an issue today than what it once was. As such we are seeing the co-operative business model transcend boundaries previously seen as an impediment to expanding a co-operative's membership base or marketplace.

The role of State Co-operative Federations has been very instrumental in ensuring co-operative enterprises had high-level representation at State level, both when dealing with the government of the day and the State-based Registrar of Co-operatives. State Federations have also functioned at a national level through Co-operatives Australia. The two most significant issues to confront co-operatives at the national level have been the Co-operative Loan Scheme and the Co-operative National Law. Co-operatives Australia was instrumental in successfully arguing for continuation of the loan scheme and had a leading role in the move to adopt core consistent legislation around Australia.

With a history of supporting their respective co-operative sector over many decades, State Federations individually, and through Co-operatives Australia, are working with members and non-members to assist them with the legislative changes that will flow from the new NSW Act, e.g. including understanding and applying new features, necessary changes to Rules and optional changes for Rules.

Australia has about 1,700 co-operatives, which are defined by their member ownership and member focused way of doing business. There are co-operatives operating in each state and territory across a diverse range of industries that includes book sales, licensed clubs, cotton growing, dairy produce, fishing, fruit marketing, grain handling and marketing, labour hire, liquor retailing, plumbing supplies, property sales, recycling, rural grocery and petrol supplies, sugar milling, taxis, tourism and wine sales.

In a number of examples it is not readily apparent that a business is actually a co-operative enterprise. In some instances the co-operative is deliberately working in the background with the members' business having the public profile.

The Australian co-operative sector is covered by the following State Federations:

- New South Wales, servicing NSW and the Australian Capital Territory
- Queensland, servicing Queensland and the Northern Territory
- South Australia

- Western Australia, servicing WA and the Indian Ocean Territories of Christmas and Cocos (Keeling) Islands, and
- Victoria, servicing Victoria and Tasmania.

Each Federation delivers at the grass roots level, the following services:

- Represent and assist co-operatives in their relationship with government
- Facilitate and provide value-added services to co-operatives
- Build co-operative brand recognition, integrity and value
- Promote and develop co-operative education
- Promote public awareness and understanding of the significance of co-operatives
- Promote the exchange of information amongst co-operatives, and
- Work with other co-operative organisations interstate and internationally.

Co-operatives Australia meets on a regular basis, sharing information and facilitating joint activities of a common purpose and benefit. In recent years,

Co-operatives Australia, on behalf of the State Federations, has:

- Successfully lobbied Canberra on the ability of co-operatives to
 - a) access the government's Re-tooling for Climate Change program; and
 - b) access the Dept. of Industry and Innovation's Enterprise Connect scheme
- Issued policies and position statements on co-operation and co-operatives
- Established the *australia.coop* website
- Initiated and published an annual Top 100 Australian co-operatives, credit union and mutuals, and
- Assisted with the introduction of Co-operatives National Law.

Lobby activities have been ongoing to ensure co-operatives are afforded equal opportunity to other business structures.

- Co-operatives Australia has published a series of statements on the co-operative option to provide a co-operative perspective on important public policy and address issues specific to co-operatives.

Co-operatives Australia published a number of papers including:

- *Public Policy and Co-operatives* in April 2009 to demonstrate the economic and social value that can be delivered by co-operative businesses and the need for public policy to incorporate the co-operative option.
- *Co-operative Education* in March 2010 to affirm the importance of co-operative education to the co-operative business model, e.g. agricultural, child care, commodity, fishing, housing and retail co-operatives.
- *Valuing Co-operation* in April 2010 to affirm the importance of co-operatives recognising that demutualisation is not inevitable; that a subsequent loss of member ownership and control has significant consequences; that there are alternative strategic and structural choices, and that balanced information is the prerequisite to informed choice.

- *International Year of Co-operatives 2012* in February 2011 as part of its commitment to IYC 2012 – including strategic priorities for IYC 2012, the IYC 2012 Committee and planning for IYC 2012.

australia.coop

Established in 2003, *australia.coop* was the first country dot coop website in the world. During a six-month period in early 2012, there were almost 3,500 visitors to the website who made 4,268 visits and viewed 11,380 pages. Average visit duration was around 3 minutes and page views per visit were 2.67.

International visitors to *australia.coop* included:

United Kingdom – 158, United States – 101, India – 85, Canada – 72, New Zealand – 53, Japan – 44, Italy – 41, Indonesia – 40 and Philippines – 34.

Top views of specific articles have included:

Australia's First Co-operative Bank – 876, 3rd edition of *Australia's Top 100 Co-operatives, Credit Unions and Mutuals* – 618, *Humanising the Economy Through Co-operatives* – 434, *Co-operative Democracy* – 389 and *The Democracy Principle* – 370.

Top 100

The inaugural annual Top 100 List was published in June 2009 to create a greater awareness of the positive economic and social contribution made by co-operatives in Australia. The 3rd edition was expanded to include State and industry analysis for turnover, members and employees. The 4th 2012 edition revealed a combined turnover of \$17.8 billion, total membership number of 12,860,286 and 29,957 employees.

Co-operatives National Law

State Federations have been working with their respective Registrar of Co-operatives, and nationally through Co-operatives Australia, over a number of years to establish uniform and modern Co-operatives National Law. The following principles were advocated by Co-operatives Australia as the basis for informing the development of the Co-operatives National Law:

- **Co-operatives principles:** Co-operatives legislation should reflect and reinforce co-operative values and principles.
- **Co-operatives legislation:** States and Territories should have the option of applying the proposed Co-operatives National Law or adopting co-operatives legislation that is substantially corresponding law.
- **Co-operative independence and autonomy:** Co-operatives legislation should reflect and reinforce co-operative autonomy and legislation minimising the role of the Registrar in areas better devolved to members via the rules of individual co-operatives.
- **Co-operative difference:** There are significant differences between small and large co-operatives and this difference needs to be recognised in legislation and regulation.

- **Co-operative operations:** Co-operatives once incorporated in one jurisdiction should be able to operate throughout Australia without extra registration requirements.
- **Co-operative democracy:** Co-operatives legislation should reflect and reinforce co-operative democracy – the accountability of Boards to members as determined by members.
- **Director obligations:** The obligations of directors to members should specify honesty and due diligence with provision for the business judgement rule defence in line with *Corporations Act 2001* section 180.
- **Federations:** States have recognised State Federations and these should continue to be recognised.
- **Co-operatives:** Adoption of the hyphenated word 'co-operative'.

Co-operatives National Law passed through the NSW Parliament in May 2012 and reflects many of the principles advocated by Co-operatives Australia and the State Federations. Other States and Territories will be progressively adopting CNL.

The key features of the CNL, which Co-operatives Australia and the State Federations have been working to achieve include:

- **Consistency of laws:** Consistency of content and administration of laws across all States and Territories.
- **Cross border operations:** Automatic mutual recognition of co-operatives across all States and Territories.
- **Financial requirements for small co-operatives:** Simplification of the financial reporting and auditing requirements for small co-operatives.
- **Director responsibilities:** Responsibilities and duties for directors and officers of a co-operative have been updated and made consistent with those requirements applying to directors and officers under the Corporations Act. Blanket liability provisions have been removed and directors face liability where there is a clear link between the director's responsibility and action or inaction and the contravention of the law.
- **Co-operative Capital Units:** More flexibility for a co-operative to raise funds from both members and the public.
- **Referencing Corporations Act provisions:** To save on 'reinventing the wheel', co-operatives laws have for some time referenced Corporations Act laws where appropriate; for example, in dealing with disclosure of information for fund raising from the public, insolvency, liquidation and winding up situations. The referencing of the companies law has been updated and made consistent across jurisdictions.
- **Enforceable undertakings:** Introduction of enforceable undertakings is a cost effective method of facilitating compliance with the law.
- **Types of co-operatives:** Removing the old and misleading characterisation of registered co-operatives as trading or non-trading and replacing this with distribution or non-distribution co-operatives.

Throughout 2012 the State Federations have ramped up their services and delivery of education programs and provision of advisory services on the new legislation, which will have a flow-on impact on every co-operative in Australia.

Co-operative Federations

Australia

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Co-operative Education

Co-operative Education Guides Business Practice

Co-operatives are unique businesses that reflect and reinforce a set of values and principles – codified by the International Co-operative Alliance (ICA) and adopted in Australia, based on:

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Co-operation among co-operatives
7. Concern for their community

While these principles have historical and philosophical relevance, their overriding purpose is to actively guide co-operative business practice and behaviour.

Individuals, groups and communities form co-operatives because of the mutual benefits of co-operation e.g. ownership and democratic control, increased income, access to improved and quality services and products, assured sources of supplies, expanded markets and enhanced competition.

Members own and control their co-operative on the basis of one member, one vote. Democratic control, however, depends on an ongoing co-operative education program to guide co-operative business practice.

This is recognised in the 5th Principle, *Co-operative Principle – Education, Training and Information*: Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

What is Co-operative Education?

Co-operative education is education about how the values and principles of co-operation are applied to co-operative business practice – the business application of the co-operative consciousness. Co-operative education conveys the distinctive ideology and methodology rooted in co-operative values and principles, whether it is in the development of a business plan, marketing of products and services or the accountability of the board to members.

When co-operatives market their co-operative difference they are, therefore, marketing the co-operative advantage and incorporating co-operative values and principles throughout their enterprise in the marketing of their products and services.

Co-operative values and principles underpin the unique co-operative culture and business practice and differ from those of investor-owned businesses. Co-operative education is therefore important to the ongoing success of a co-operative. Policies and practices of any business implicitly and/or explicitly reflect

and reinforce the values of that business and guide the organisational culture. Business policies and practices need to be regularly reviewed to ensure they reflect and reinforce co-operative values and principles.

Co-operative Formation and Establishment

Understanding the co-operative business culture is a prerequisite to forming a co-operative, the success of start-up co-operatives depends on the understanding of the initial board and membership, and those who follow over time, of the co-operative values and principles that will make the enterprise different from other businesses. The formation of a co-operative should not be dependent on the co-operative knowledge of a few individuals. The formation process should involve co-operative education of all concerned to ensure co-operative values and principles are truly understood. The education process should also cover the reciprocal obligations between members and their co-operative. Once a co-operative is formed, an ongoing co-operative education program could develop the understanding and acceptance of co-operative values and principles by new members, managers and employees. Without such a plan, the co-operative identity will remain with only those who formed the co-operative.

Co-operative Continuity and Growth

Ongoing co-operative education would enable the values and principles of co-operation to extend beyond the formation and establishment of the co-operative. It should form part of the induction process for anyone dealing with a co-operative. Once learned, co-operative values and principles can become a life-long way of doing business. However, every co-operative needs to address generational change, working to ensure that the co-operative advantage is maintained and maximised. Over time, members can lose sight of the value of being part of a co-operative. A co-operative education program could reinforce, on an ongoing basis, the value of being an active member. Having educated the membership, and others, about the merits of co-operation, the task confronting every co-operative is the delivery of information that demonstrates and reinforces the value of doing business through your own co-operative compared with the alternative.

All co-operatives are Businesses

All co-operatives are businesses, including those that describe themselves as non-profit. All co-operatives, like any other business, must meet their operating costs and generate a surplus for future investments in the co-operative and for emergencies. Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operative. They inform the general public particularly young people and opinion leaders about the nature and benefits of co-operation.

In *The Democracy Principle: Farmer Co-operatives in Twentieth Century Australia*, Gary Lewis wrote:

Failing to invest adequately in co-operatives' education (product advertising is not education), farmer co-operatives allowed the run-down of co-operative consciousness to continue, one of Manner's most serious 'threats'. Notwithstanding efforts by a few gallant souls, this neglect guaranteed that the general understanding of co-operative culture among the public and members alike remained superficial. Another consequence was that most co-operators did not know how to co-operate, how to make reciprocity to work, how to help interdependence bear fruit, how to effect timely strategic decisions, how to deal with selfishness, egos and a lust for power or how to learn from mistakes. (p 365)

Public Policy and Co-operatives

Public Policy and the Co-operative Sector

Greater awareness of co-operative principles and the co-operative business model is fundamental to the future of the co-operative movement throughout Australia.

Co-operatives Australia, as advocate for the Australian co-operatives sector, aims to lift the level of awareness of the sector within:

- parliament
- government
- government departments
- the professions
- educational institutions
- political parties, and
- the general public.

An awareness of co-operative principles, and how they guide co-operative business practice, will ensure that public policy initiatives are determined in a way that recognise the value the sector contributes to the state and national economies.

The following broad-ranging, but not exhaustive, list of issues has been compiled by Co-operatives Australia from existing research to highlight the importance of having public policy covering the co-operative sector.

The co-operative business model should be recognised and promoted by State, Territory and Federal Governments as a viable option in areas of:

- **Housing** – to deliver and manage public and community housing.
- **Health** – to deliver community health care related facilities and services, including care for the aged and for people with disabilities.
- **Employment** – to create employment and job retention through worker co-operatives.
- **Childcare** – to deliver childcare facilities and services.
- **Indigenous issues** – to provide services in indigenous communities, such as enterprise development, health and education.
- **Industry restructuring** – as an alternative structure to industries affected by forced restructuring.
- **Regional and rural development** – co-operatives are a proven model for communities assisting themselves through self-help.
- **Commercial business enterprises** – co-operatives are a proven alternative model to companies.

The development of co-operatives should be encouraged by proactive policies in areas such as:

- **Small business policy** – that co-operatives should receive equal treatment in the promotion and development of small and medium business opportunities.
- **Government tendering and grants** – that the community contribution by co-operatives will be viewed favourably when assessing applications for government grants or tenders.

- **Education and training** – that co-operative principles, practice and theory will form part of the secondary and tertiary education curriculum in relation to their contribution to trade and commerce, business structures, community development and social values.

Federal Issues

The Federal Government should also address the following matters, and public policy in these areas should demonstrate support for the co-operative business model.

- **Accounting Standards** – adoption of international accounting standards is not to disadvantage Australian co-operative companies.
- **Trade Practices Act** – co-operatives should be exempt from collective bargaining provisions.
- **Economic policy** – the co-operative business model should be recognised and promoted as an effective option for industry restructuring.
- **Business development programs** – that the co-operative business model should have equal access to government business incentives and support programs.
- **Regional development policy** – given the capacity of the co-operative business model to contribute to the economic and social well-being of rural and regional Australia, co-operatives should be encouraged and supported through appropriate regional development policies.
- **Trade policy** – that government should afford co-operatives the same level of support as other business entities involved in exporting and importing goods and services.
- **Education policy** – that co-operative principles and theory should be included as part of national primary, secondary and tertiary curriculum, particularly in relation to commerce, business structures, community development and social history.

Co-operatives Australia:

As an apolitical peak industry body, Co-operatives Australia encourages government and non-government parties to have suitable policy statements developed, adopted, regularly reviewed and up-dated, and widely published.

Co-operatives Australia is the national body for State Co-operative Federations. It is an unincorporated body. Its members are the State Co-operative Federations of New South Wales; Queensland; South Australia; Victoria and Western Australia.

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Valuing Co-operation

Future is in the Hands of Members

The future of any co-operative as a co-operative business depends greatly on –

- meeting members immediate and future needs
- continuous demonstration of value to its membership
- members being engaged with their co-operative meaningfully, and
- members valuing their membership in a holistic way, combining both monetary and non-monetary benefits.

It is important that co-operative boards get their strategy right and have clear lines of communication with members and other stakeholders. Boards must continually demonstrate their commitment to co-operative business principles through appropriate policies, practices and actions. Boards must also demand a commitment to the board's strategic direction by management and staff.

Without an ongoing program of communication and education around member value, investor-driven interests and carpet-baggers will continue to raid successful Australian co-operatives. Carpet-baggers are those who promote demutualisation to advance their personal interests while purporting to benefit the co-operative or mutual.

Demutualisation Lessons

The Co-operative Merit (Adby 2002), outlined what had been learnt from co-operatives and mutuals that had demutualised:

- Evidence of strengthened net worth was weak.
- Net premiums do not increase relative to industry.
- Expense ratios increase relative to industry.
- No significant increase in accounting results.
- Management salaries are higher.
- Management turnover is higher.
- Many go on a buying binge or change the nature of the business.
- Loss of member customers leads to increased costs to entice customers.
- Very often a converted co-operative or mutual is itself taken over within 3–5 years.
- Head offices move and regional presence declines.

Align Strategy and Structure

In *Adapt or Die: Organizational Changes in Co-operatives*, (Chaddad 2009), Dr Chaddad of University of Missouri, states there is no conclusive evidence about the failure rates and performance differences between co-operatives and investor-owned corporations. Evidence suggests that relatively speaking the co-operative sector is no worse off than the investor-owned corporate sector with USA supply and marketing co-operatives having increased their market share since 1950.

Dr Chaddad warned demutualisation is mistakenly seen as an easy way out for co-operatives – as an easy remedy to the so called ills of co-operatives, when in fact conflicts of interest are likely to get worse after demutualisation. He suggests an alternative to demutualisation is for co-operatives to ensure strategy and structure are aligned.

Adaptation and reorganisation can take different forms, centred on co-operative ownership with control remaining with members. Strategic options can include using subsidiary companies, incorporated or unincorporated joint ventures, as well as re-aligning active membership requirements.

Valuing our Mutuality

Valuing our Mutuality was a project initiated by the International Co-operative Mutual Insurance Federation to raise public awareness around the value of mutual and co-operative insurance, undertaken against the backdrop of demutualisations in the European financial sector.

The research focused on four areas –

- financial and business performance
- the concept of mutuality
- legislation and capitalisation, and
- demutualisation trends and post-demutualisation realities.

The report, published in 2001 and updated in 2002, is the most comprehensive study of its kind to date. It provides an in-depth analysis of the performance of ninety-seven insurance mutual businesses in eleven European countries, showing that insurance mutuals outperformed investor-owned companies in –

- greater claims payments
- lower costs, and
- better overall financial performance.

Mutuality was shown to have a significant value by creating a circle of mutual benefit focusing primarily on customer value resulting in good performance, which in turn strengthens and promotes the mutual way of doing business.

Demutualisation Check List

Consideration of corporatisation/ demutualisation must be based on best practice openness and transparency. Members should receive information about the experiences and lessons of co-operatives and mutuals that have successfully adapted or reorganised, in preference to abandoning the principles of co-operation or mutuality.

All too often the pro-demutualisation argument is ill-informed and biased about the operations of the co-operative. Corporatisation through demutualisation is also often wrongly portrayed as the only option.

Importantly, through their elected directors and the wider membership when appropriate, co-operatives must address the following key medium- to longer-term issues, if under challenge by investor-driven interests and carpet-baggers:

1. Would member patrons be able to market/source products and services better if they gave up control of their co-operative?
2. Would member patrons receive/pay fair prices if they gave up control of their co-operative?
3. Would member patrons continue to guide the business and its strategic direction?
4. Would the business continue to have close ties with key suppliers and customers?
5. Would the business have an ongoing commitment to satisfying customer needs?
6. What impact would investor-driven interests have on business practices, prices given/received, net worth, net premiums and expense ratios?
7. Who and what would determine and drive business priorities?
8. Would a local/regional commitment continue?

Co-ops as Market Maker

The Chairman of Challenge Dairy Co-operative Ltd, Larry Brennen OAM, wrote in November 2009:

Murray Goulburn provides the real benchmark for the price of milk and without them, dairy farmers would never achieve the real value from their milk. We all benefit from Murray Goulburn's position in the dairy industry. Victoria and Australia has Murray Goulburn and it must survive and prosper for the benefit of all Australian dairy farmers.

Balanced Information

Members must insist, in the event of moves to corporatise their enterprise through demutualisation, that the board prepare and distribute even-handed information so that an informed decision can be made about the future of their co-operative or mutual.

The report to members must address fully, the advantages and disadvantages of remaining a co-operative business or demutualising.

If the board is recommending demutualisation it is incumbent on directors to disclose to members their financial interest in the outcome. Advisory success fees must also be disclosed in the report to members.

One of the greatest dangers to mutuals and co-operatives comes from within – from managers and directors who are not committed to co-operative principles and values.

Race Mathews, *Looting the Mutuals: The Ethics and economics of Demutualisation*

In most cases, demutualisation is caused by the choices of the cooperative executives, with the support of outside consultants and with the acquiescent consensus of the boards of directors; very rarely is it a product of pressure from the members.

How the Bumblebee Flies – Co-operation, Ethics and Development, Ivano Barberini 2009, past President International Co-operative Alliance.

The following comment typifies the outcome of a number of corporatisations/demutualisations.

The money has come home...but farmers have now to face an absolute clash of cultures with the PLC. This is a hard lesson for some members who thought that the market would look after them...

Demutualisation has unlocked wealth for investors and carpet-baggers – not to the former owners of co-operatives and mutuals. Without ownership the co-operative benefit is lost.

Australia's Top 100 Co-operatives, Credit Unions and Mutuals by Annual Turnover – August 2012

Member Ownership

Co-operatives worldwide operate under the following seven key principles:

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Co-operation among co-operatives
7. Concern for their community

Co-operatives Australia, as the national body for State Co-operative Federations, has compiled the following list of the top revenue generating co-operatives, mutuals and credit unions in Australia to increase the public awareness of the sector. Industries represented in the top 100 list include agriculture, consumer, finance, insurance and purchasing.

In Australia the top one hundred businesses that operate as Co-operatives, Mutuals and Credit Unions control a combined annual turnover in the order of **\$17.8 billion** on behalf of the members who own those businesses.

1. **Co-operative Bulk Handling Ltd** (WA) \$2.870 billion
2. **Murray Goulburn Co-operative Co Limited** (VIC) \$2.280 billion
3. **RACQ** (QLD) \$1.086 billion
4. **Capricorn Society Ltd** (WA) \$1.030 billion
5. **HBF of WA** (WA) \$1.012 billion
6. **Australian Unity** (VIC) \$1.010 billion
7. **CUSCAL** (NSW) \$930,000,000
8. **RAC WA** (WA) \$504,000,000
9. **Dairy Farmers Milk Co-operative Ltd** (NSW) \$502,939,000

10. **National Roads and Motorists Association** (NSW) \$467,252,000
11. **RACV** (VIC) \$443,300,000
12. **Namoi Cotton Co-operative Ltd** (NSW) \$410,362,000
13. **Norco Co-operative Limited** (NSW) \$351,474,000
14. **Credit Union Australia** (QLD) \$320,748,000
15. **People's Choice Credit Union** (SA) \$213,583,000
16. **Independent Liquor Group Dist. Co-operative Ltd** (NSW) \$211,819,302
17. **Royal Automobile Association SA** (SA) \$193,526,000
18. **Independent Liquor Group (Suppliers) Co-operative Ltd** (NSW)
\$184,725,914
19. **Chester Hill RSL & Bowling Club Co-operative** (NSW) \$177,519,671
20. **Newcastle Permanent** (NSW) \$171,730,000
21. **Heritage Bank Ltd** (QLD) \$147,793,000
22. **Geraldton Fishermen's Co-op Ltd** (WA) \$134,748,648
23. **Northern Co-operative Meat Company Ltd** (NSW) \$129,906,000
24. **Greater Building Society** (NSW) \$127,333,000
25. **Plumbers Supplies Co-operative Ltd** (NSW) \$125,000,000
26. **Western Australian Meat Marketing Co-op Ltd** (WA) \$124,000,000
27. **Ravensdown Fertiliser Co-operative Ltd** (WA) \$120,000,000
28. **Community CPS Australia** (SA) \$111,729,000
29. **Teachers Mutual Bank Ltd** (NSW) \$110,782,000
30. **IMB Limited** (NSW) \$106,579,000
31. **NSW Sugar Milling Co-op** (NSW) \$103,362,042
32. **University Co-operative Bookshop Limited** (NSW) \$94,627,112
33. **bankmecu** (VIC) \$90,025,000
34. **Hastings Co-operative** (NSW) \$85,710,321
35. **Police & Nurses Credit Society Ltd** (WA) \$85,083,000
36. **Southern Quality Produce Co-operative Limited** (VIC) \$80,000,000
37. **Walgett Special 1 Co-operative Ltd** (NSW) \$71,765,130
38. **The Community Co-operative Store (Nuriootpa) Ltd** (SA) \$62,310,000
39. **Queensland Country Credit** (QLD) \$60,000,000
40. **Qantas Credit Union** (NSW) \$56,365,000
41. **Defence Bank** (VIC) \$54,993,091
42. **Yenda Producers Co-operative Ltd** (NSW) \$50,509,852
43. **Victoria Teachers Mutual Bank** (VIC) \$48,700,000
44. **QTMB** (QLD) \$46,750,000
45. **CEHL** (VIC) \$45,235,577
46. **Police Credit Union** (NSW) \$44,398,372
47. **Australian Wine Consumers Co-operative Ltd** (NSW) \$43,593,000
48. **Bananacoast Community Credit Union** (NSW) \$40,792,999
49. **CCW Co-op** (SA) \$40,600,000
50. **Master Butchers Co-operative Ltd** (SA) \$38,237,600
51. **Police Credit** (VIC) \$36,154,000
52. **Australian Defence Credit Union** (NSW) \$34,135,078
53. **Batlow Fruit Co-operative Ltd** (NSW) \$32,242,342

54. **Credit Union SA Ltd** (SA) \$29,345,000
55. **Lenswood Cold Stores Co-operative Ltd** (SA) \$28,376,797
56. **Co-operative Purchasing Services Ltd** (WA) \$28,000,000
57. **Maritime, Mining & Power Credit Union Ltd** (NSW) \$26,512,290
58. **Mount Barker Co-operative Ltd** (WA) \$26,000,000
59. **Labour Co-operative Ltd** (NSW) \$25,613,700
60. **Police Credit Union Limited** (SA) Ltd \$25,302,618
61. **Wesbuilders Co-operative Ltd** (WA) \$24,893,000
62. **Sydney Credit Union** (NSW) \$23,947,532
63. **Hume Building Society** (NSW) \$22,981,000
64. **SGE Credit Union** (NSW) \$21,279,000
65. **Associated Newsagents Co-operative** (SA) Ltd (SA) \$21,200,000
66. **Queensland Police Credit Union Limited** (QLD) \$19,756,895
67. **Rumbalara Aboriginal Co-operative Ltd** (NSW) \$19,271,288
68. **Terang & District Co-operative** (VIC) \$19,100,000
69. **Big Sky Credit Union** (VIC) \$19,049,000
70. **Community Child Care Co-operative Limited** (NSW) \$19,034,908
71. **Community First Credit Union** (NSW) \$18,095,000
72. **Community Alliance Credit Union** (NSW) \$18,082,000
73. **Summerland Credit Union Limited** (NSW) \$17,500,000
74. **Legion Cabs** (NSW) \$17,167,901
75. **Holiday Coast Credit Union** (NSW) \$16,925,000
76. **Gateway Credit Union** (NSW) \$16,857,000
77. **LOD Co-operative Haulage and Transport** (NSW) \$16,664,248
78. **Genetics Australia Co-operative Ltd** (VIC) \$16,653,028
79. **Riverina Co-operative Society** (NSW) \$15,700,619
80. **Moulamein Grain Co-operative Ltd** (NSW) \$14,573,258
81. **Clarence River Fishermen's Co-operative Ltd** (NSW) \$14,475,567
82. **Coleambally Irrigation** (NSW) \$14,445,000
83. **Railways Credit Union** (QLD) \$14,340,257
84. **Service One** (ACT) \$14,337,000
85. **Nambucca River Co-operative Ltd** (NSW) \$13,894,587
86. **Queenslanders Credit Union Limited** (QLD) \$13,817,812
87. **Auburn RSL Club Co-op** (NSW) \$13,669,066
88. **Young Services & Citizens Club Co-operative Limited** (NSW)
\$13,442,386
89. **York & Districts Co-operative Ltd** (WA) \$13,417,419
90. **Commercial Fisherman's Co-operative** (NSW) \$13,280,078
91. **Junee District Co-operative Ltd** (NSW) \$13,154,090
92. **Ingleburn RSL Sub-Branch Club** (NSW) \$12,639,609
93. **Macleay Regional Co-operative Ltd** (NSW) \$12,152,958
94. **Coffs Harbour Fishermen's Co-operative Limited** (NSW) \$11,222,412
95. **WAW Credit Union Co-operative** (VIC) \$10,997,816
96. **Sweeter Banana Co-operative Ltd** (WA) \$10,348,000
97. **Maitland Mutual Building Society Limited** (NSW) \$10,226,000

98. **International Buddhist Association of Aust Co-op** (NSW) \$10,180,171.
99. **Kojonup Co-operative Ltd** (WA) \$10,162,000
100. **Aboriginal Medical Service Co-operative Limited** (NSW) \$9,291,845

Data Set

The first list of Top 100 Co-operatives, Credit Unions and Mutuals by Annual Turnover was published in June 2009, the second in September 2010 and the third in April 2011. Some businesses have moved up the list, some have moved down and others no longer appear on the list for various reasons e.g. no longer exist and the unavailability of financial information.

Co-operatives Australia expressly disclaims any warranties or representations, express or implied, of any kind as to the accuracy and completeness of any of the above, and invites any of the entities listed herein to supply evidence to support any requested corrections to the address mentioned on page 65.

Entities not listed herein, and believe that they should have been listed, are invited to do likewise.

Annual Turnover

Data set based on total group revenue including marketing pool revenue classified off balance sheet by Australian Accounting Standards and International Accounting Standards. For building societies and credit unions we have used net interest income plus other income.

Data source: Turnover data sourced from the entities or from public records.

Data is based on most recent figures available to Co-operatives Australia. The turnover data is not strictly comparable. Turnover data is primarily for financial years ending in 2011 but not exclusively depending on data availability. Note, however, that building societies and credit unions are usually ranked by assets rather than turnover.

Membership and Employees

Membership and employee numbers are based on most recent data available. Membership and/or employee numbers were not always available. Following are therefore conservative numbers.

Total number of members: **12,860,286** Total number of employees: **29,957**

Top 10 Co-operatives, Credit Unions and Mutuals with the **most members**

1. **National Roads and Motorists Association** (NSW) 2,200,000
2. **RACV** (VIC) 2,000,000
3. **University Co-operative Bookshop Limited** (NSW) 1,501,612
4. **RACQ** (QLD) 1,200,000
5. **HBF** (WA) 890,000
6. **RAC WA** (WA) 720,000
7. **Royal Automobile Association SA** (SA) 580,000
8. **Credit Union Australia** (QLD) 416,899

9. **Heritage Bank Ltd** (QLD) 300,000
10. **Newcastle Permanent** (NSW) 300,000

Top 10 Co-operatives, Credit Unions and Mutuals with the **most employees**

1. **Co-operative Bulk Handling Ltd** (WA) 2766
2. **RACV** (VIC) 2623
3. **Murray Goulburn Co-operative Co Ltd** (VIC) 2200
4. **Labour Co-operative Ltd** (NSW) 1494
5. **Australian Unity** (VIC) 1400
6. **RAC WA** (WA) 1232
7. **People's Choice Credit Union** (SA) 1084
8. **Northern Co-operative Meat Company Ltd** (NSW) 960
9. **Newcastle Permanent** (NSW) 900
10. **RACQ** (QLD) 800

Turnover of top 100 by States

1. **WA** \$5,992,852,067
2. **NSW** \$5,137,201,648
3. **VIC** \$4,154,207,512
4. **QLD** \$1,709,311,964
5. **SA** \$764,210,015
6. **ACT** \$14,337,000
- National Total** \$17,772,120,206

Turnover of top 100 by Industry

1. **Agriculture** \$7,440,983,773
2. **Consumer** \$3,711,413,280
3. **Financial** \$3,206,476,219
4. **Insurance** \$2,022,200,000
5. **Purchasing** \$1,292,944,300
6. **Housing** \$45,235,577
7. **Transport** \$33,832,149
8. **Social** \$19,034,908
- National Total** \$17,772,120,206



**Co-operatives build
a better world.**



Co-operation between Co-operatives

David Griffiths

CO-OPERATION between co-operatives is fundamental to the development of Australia's co-operative movement.

The philosophy of co-operation is encapsulated in the phrase 'each for all and all for each'. This means that individuals form co-operatives to achieve

together what they cannot achieve as individuals. There is a mutual benefit.

It is the logic of co-operation, therefore, that individual co-operatives join together to advance their common interests by becoming members of State Co-operative Federations to achieve mutual benefit.

There are State Co-operative Federations in New South Wales, Queensland, South Australia,

Victoria and Western Australia. The common roles of the State Federations are to:

- Represent and assist co-operatives in their relationships with government
- Facilitate and provide value-added services to co-operatives
- Assist the formation of new co-operatives
- Build co-operative brand recognition, integrity and value
- Promote and develop co-operative education
- Promote public awareness and understanding of the significance of co-operatives
- Promote the exchange of information amongst co-operatives, and
- Work with other co-operative organisations interstate and internationally.

The willingness to co-operate between co-operatives, however, varies within and between States. Most of Australia's 1700 registered co-operatives are not members of their State Federations with total membership less than 10% overall. The exception is WA where most co-operatives are members of Co-operatives WA.

The lack of co-operation between co-operatives is the result of varied but interdependent factors. The predominant factors for this lack of co-operation are:

- Co-operative ideology
- Co-operative education
- Co-operative subversives

- Co-operative isolation
- Co-operative advocacy
- Co-operative pretenders
- Co-operative demutualisation

Each of these factors provides a context and explanation for the lack of co-operation between co-operatives.

Co-operative ideology

There has not been a common understanding and agreement of the ideology of co-operation – what co-operatives stand for, how they are different and why. Instead of ideology, pragmatism has prevailed and this has inhibited public advocacy of the co-operative difference because there is no understood and agreed philosophical underpinning. The basis for this ideology lies in the co-operative values and principles developed by the International Co-operative Alliance.

Co-operative education

There is no common and accepted co-operative education program and recognition that co-operative education is essential to reinforcing the identity, development and renewal of co-operatives. Co-operative education is essential to define the nature of co-operative values and principles and their application within co-operatives. In the absence of ongoing co-operative education there is an inevitable vacuum, allowing subversives to implicitly and/or explicitly undermine co-operative values and principles.

Co-operative subversives

There are directors and Chief Executive Officers who actively subvert co-operative values and principles. They are gatekeepers that through their influence can prevent the practice of co-operation.

Co-operative isolation

Individual co-operatives and co-operatives within sectors have pursued and preferred isolation and separation – preserving individual co-operatives and sectors. Co-operative subversives encourage isolation so that their own subversion is not revealed. Co-operative isolation encourages insulation from co-operative values and principles and separation from the broader co-operative movement.

Co-operative advocacy

Co-operatives and co-operators have been conservative in their advocacy of the co-operative option – difficult without an ideological underpinning. Instead of boldness, there has been timidity. Without advocacy, however, there is diminished understanding within co-operatives and public recognition of the co-operative difference – the difference between co-operatives and private and public enterprises and the scope and impact of co-operatives in Australia and throughout the world.

Co-operative pretenders

Many registered co-operatives, primarily in NSW and Victoria, have no interest, understanding or commitment to co-operative values and principles. Often these co-operatives were formed because it seemed the simplest and cheapest form of incorporation – the fuzziness of co-operation – or the co-operative founders in these co-operatives are either no longer actively involved or have been reduced to a minority. Registration as a co-operative is not self-evident confirmation of an understanding of and commitment to co-operative values and principles.

Co-operative demutualisation

The demutualisation of co-operatives threatens the future of co-operatives because large successful co-operatives are essential models for new and small co-operatives. The attractiveness of the model, however, is inversely related to the co-operative ideology, education and advocacy of the large co-operatives. When co-operatives demutualise it is because the Chief Executive Officers and Boards no longer support co-operative values and principles.

Conclusion

A further consideration is the capacity and willingness of Co-operative Federations to be relevant and provide actual and perceived value-added services to individual co-operatives – a challenging expectation when most co-operatives in most states do not join their respective State Federations. But, given the factors above, this final consideration is a consequence not a cause of the lack of co-operation between co-operatives. If individual co-operatives were committed to co-operative ideology, education and advocacy, then they would join State Federations and make them work as effective advocates of co-operation. There is no quick fix to co-operation between co-operatives. Imposed co-operation will not survive in the long-term.

In 1923 Sidney Webb observed in *The Need for Federal Reorganisation in the Co-operative Movement* (Fabian Tract No 203, The Fabian Society, February 1923, p4) that in Australia, Canada and the United States:

The societies in these countries never succeeded in the past in forming a durable federation of national scope, which could weld together the scattered local societies into a powerful organisation, make itself felt in the national consciousness, and promulgate effectively throughout the length and breadth of the land the fact that co-operative societies were actually in existence in hundreds of places, and might exist in every place if only people could be made aware of them.



The West – yesterday, today, tomorrow

Peter Wells

THE UN International Year of Co-operatives is a unique opening for Australia's co-operative movement. It has provided a window to the world of business co-operation and its contribution to the social and economic development of Australia. In recent years the good work of Australian co-operatives has been very much in the background. There has been a distinct lack of recognition outside the immediate membership of co-operatives. In some cases the lack of recognition could even be found inside some member focused entities.

In 2009 Co-operatives WA and the University of WA Business School reviewed the level of awareness around the co-operative model in the corridors of power and the halls of our leading educational institutions. That work led to approval of an Australia Research Council Linkage Grant project aimed at bringing to the fore the strength and gains possible through a member driven co-operative approach to business.

It is regrettable that co-operatives around the world have not been particularly good at self-promotion or 'banging their own drum'. Their pre-occupation has been in getting on with the job at hand. Spending energy, time and money in these promotional areas was generally viewed as non-productive. However, the result has been the demise of the external awareness or consideration of co-operative business models.

'It is regrettable that co-operatives around the world have not been particularly good at self-promotion or 'banging their own drum''

In the Western Australian context, co-operative business models have formally existed for nearly 100 years. Over that time those co-operatives that responded to the changing member needs continue to be vibrant, sustainable and relevant to their membership and their broader stakeholder groups. Communities grow and need change. Business activity and needs can grow, yet communities can contract. Competition can come, and competition can go. Life goes on, but not necessarily as simply as it once did. The actions of directors and management of member focused enterprises, and community leaders more generally, have been fundamental in shaping the co-operative landscape we have today.

Success certainly fosters success. When planning, people take note of success stories. Some look further afield to avoid the mistakes of others. There are many success stories in the world of co-operatives and member focused enterprises. However, they have tended to have 'hidden their light under a bushel'. Studies have shown business failures are no more prevalent in co-operative ventures than in other corporate structures.

Imitation is said to be the highest form of flattery. It is therefore a compliment to the principles of co-operation when we see new co-operative ventures formed and go on to be successful. The critical issue is getting the co-operative business model out from under its bushel.

Whilst small in monetary terms to the WA mineral and energy sectors, the positive impact member focused enterprises have on the economy and the lives of their members is considerable. Western Australia is home to four of the five largest member focused enterprises in Australia. However co-operation is not all about size. It's about delivering positive outcomes for their membership, whether it is large or small.

By way of example, the WA co-operative sector has maintained its community relevance over the past 90 plus years in the following ways:

- Regional co-operatives have re-invented themselves, some a number of times, to ensure much needed services are close at hand.
- Mount Barker Co-operative dates back to 1918 when it provided cool storage and exported apples to the UK. It is now a major food retailer and rural merchandiser.
- The CBH Group now provides members with services that extend from paddock to plate.
- Print industry franchisees formed a co-operative to leverage benefits off pooled capital.
- Primary producers have used co-operative business models to lower the cost of production and lift market returns through branding and quality assurance programs.
- Sweeter Banana Co-op established the original Lunch Box Banana concept.
- WA producers have a direct stake in the sheep meat market through a co-operatively operated major export accredited slaughterhouse in the Great Southern region.

- Communities in three regions of the state successfully won control of their irrigation water network from what was previously a centralised government function.
- Capricorn Society has grown through innovation and applied business technology to be an industry leader in Australia, New Zealand and South Africa.

Formed in 1919, Co-operatives WA has been an integral part of the Western Australian co-operative movement. It too has taken steps to remain relevant to its membership, adding value in areas of business support, formation of co-operatives, director education and government liaison to name just a few of its functions. Co-operatives WA has also worked closely with its counterpart bodies around Australia through Co-operatives Australia.

Whilst IYC 2012 has opened the window on the co-operative sector, it's incumbent on everyone involved with member focused enterprises to ensure things don't come to a stop. Let's get our light out from under the bushel and make it glow bright and with purpose and confidence.

Peter Wells has been the Secretary of Co-operatives WA, the State's peak industry body, since early 2004 following a career in the WA co-operative sector during which he held senior executive positions for approximately 30 years. Peter provides front line services to established, fledging and start-up co-operatives on a raft of issues.



Grasping the Principles

Tony O'Shea

IN the early 1970s I was employed by FleetXpress Pty Ltd, as Fleet controller of their taxi truck division, and drove Silver Top taxis part time.

I became (Honorary) Secretary of the Taxi Industry Credit Union, and expanded it into becoming the road transport industry credit union. In 1977 Waverley Credit Union in Glen Waverley appointed me their Development Officer, replacing Bill Doyle who went next door as Manager of Waverley Trading Co-op.

It was a most interesting job, the main part of which was introducing Credit Union services into a number of large companies who were the major employers in the area. Most of my lunch breaks were spent in factory canteens explaining to staff what membership of the Credit Union offered them. In those days Australian banks were not interested in making personal loans to workers, and credit co-operatives were the only alternative to shysters.

Around 1980 I was appointed Credit Controller and Company Secretary, and continued in those roles until 1984. In the following year I managed the Footscray and Werribee branches of Western Credit Union and Telecom Credit Union during the process of the first merger between a Community Credit Union and an Industrial Credit Union. The telecom Credit Union eventually evolved into Credit Union Australia (CUA). CUA is Australia's largest credit union with more than 380,000 members. I then worked as a Consultant for Burwood and Knox Community Credit Unions before moving to the Police Association Credit Union as Credit Control Supervisor.

After being sacked because I didn't get on with the Managing Director, I decided to have a rest from the Credit Union scene, as mergers were reducing the number of management positions available. Most of the Credit Co-operatives I worked for are now part of bankmecu! The credit union MECU became bankmecu on 1 September 2011 with assets exceeding \$2.6 billion and \$287 million in capital. It has 125,000 customers and 348 staff.

I bought a Chevrolet heavy truck, and became an owner-driver in the road transport industry. After 11 years I was suffering many bouts of bronchitis, and my GP suggested that a change to a warmer and drier climate might be beneficial, so I 'retired'.

My late wife, Elizabeth, and I started looking around for a suitable place to relocate and in the Spring of 1997 moved to Avoca, which in earlier years had three banks, but the last of them was showing signs of intention to close. My retirement was short-lived! I became involved with a local Steering Committee planning a

community bank branch of Bendigo Bank. Part of my shed became the Registered Office of the Avoca District Co-operative Ltd and I became Secretary of the Co-op.

Almost fourteen years later the Avoca Co-op Board has decided on a succession plan, and I am now training a new Company Secretary to assist with running what has become a large and successful business, servicing Avoca, Maryborough and St Arnaud. The Avoca District Co-operative has 206 members, 11 staff and \$1.1 million annual turnover.

Avoca was the sixth Community Bank branch in Australia, and there are now almost 300; but Avoca is the ONLY Bendigo franchise owned by a Co-operative. The remainder are all Companies, with a number of co-operative principles written into their constitutions; i.e. one member, one vote, a relatively small maximum shareholding by any individual or entity, a limitation on dividends, and encouragement to distribute a significant proportion of profits to worthy local community organisations. They could well therefore be regarded as co-operatives/mutuals; with the exception of the small number of community bank companies, which have chosen to list on the Bendigo Stock Exchange.

When the Avoca Co-op joined the Co-operative Federation of Victoria Limited I was persuaded to join the Federation Board, and became Chairman. Following more than a decade as Chairman I have realised that at 75 years of age I am now lacking the energy, stamina and enthusiasm necessary to properly perform this role, so have resigned. I will remain on the Board if they want me, to assist with the transition to a new Chairman.

A major disappointment has been the inability of most Australian Co-operatives to grasp the necessity of embracing the fifth and sixth of the seven co-operative principles which have governed our activities since 1844. The lack of co-operative education, and co-operation between co-operatives, are the main reasons for the co-operative form of corporate entity being less well known and understood and implemented in Australia than in most other parts of the world. To understand this phenomenon one needs to read *The Democracy Principle* by Gary Lewis, available online at: www.victoria.coop/index.php/articles/publications/481-democracy, which highlights the sad procession of attempts over the past century to establish an effective national peak body for the sector. I hope to live long enough to see this problem overcome as a legacy of IYC 2012.

The most important task for this new National Peak Body, by whatever name, will be to popularise the introduction of intensive co-operative training at every level of every co-operative: board, management, staff, member/owners and their families. This training must emphasise the differences in thinking and attitudes which exist between co-operatives and investor-owned corporations. Without proper attention to such training, the future of co-operatives in Australia looks bleak indeed.

With such training, we can emulate the experiences of other countries where most business activity is carried out by co-operatives, and other forms of corporate entity pick up the crumbs!!



Disruptive Capitalists in the 'Lucky Country'

Melina Morrison

FRIEDRICH Wilhelm Raiffeisen, co-op and credit union pioneer once said, 'In order to fight poverty one should fight dependency first'. I can't 'GET' past those words. Co-ops are not all about fighting poverty but they are about creating a bedrock of equality, shifting capital and assets from financial elites to people through their neat trick of member ownership and profit redistribution – importantly they are about economic independence.

Raiffeisen's seminal words are pertinent even here in the so called 'Lucky Country' where for all our affluence and mineral wealth, we are aware of the yawning gaps between the financially marginalised, the 'just lucky to be in' and the super wealthy. We're aware that government is sweating on the rising costs of essential public services like health and aged care, housing, transport and education, and doesn't seem to have the solutions, except to suggest either chucking heaps more money at the problem or taking heaps away! We're aware of a growing concentration of the market in so many areas from food retail to banking, from pubs to petrol stations – we're aware, dare I say, that all is not right with the world, that maybe we only just squeaked by the Global Financial Crisis, that corporations take too much and give to little, and that we're just a little fed up with capitalism in its present form.

Back to Raiffeisen and his thesis on dependency, which needs to be tackled – but how? What a moment then to shine a light on another way of doing business; a proven, robust, super effective and profitable way to combine commercial activity and social purpose.

The United Nations thought so too, when almost 36 months ago, it declared 2012 the International Year of Co-operatives in recognition of the vital role co-operatives play in global socio-economic development. The world needs the power of the co-op to help achieve the Millennium Development Goals, the UN said.

'Co-operatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility,' UN Secretary-General Ban Ki-moon said. And, the FAO declared that 2012 *World Food Day* would be themed *Agricultural Cooperatives: Key to feeding the world*.

So far, so good. What we realised early on in planning for this wonderful, once in a lifetime co-operative opportunity, is that we were not going to go anywhere further than a feel-good party year for co-ops, if we missed this moment to really grasp what it is we have to offer society. We needed to bond as a sector and with our mutual 'brethren', employee owned businesses, customer owned

banks and member owned organisations, to organise and legitimize our business model and most importantly to answer to that Raiffeisen call to action – to tackle dependency in all its forms.

Speaking at Federation Square this year, I suggested all of us needed in some way to become disruptive capitalists and agitators in the market place, through the simple act of consumer choice – to choose, when we can, to 'shop co-op'. Mindfulness when we transact, I suggested, is a powerful thing. You can make your money serve communities rather than investors, you can spend *into* the local economy, not extract capital from it, and you can examine the beneficiaries of the monetary exchange simply by asking the question, *Who are the members of this business?*

Because the members are the owners – we are the owners.

I hope you enjoy this International Year dedicated to our fantastic business model as much as me – the only time the United Nations has dedicated an International Year to a business structure; the one built by people for people.

Melina is director of Australia's Secretariat for the UN International Year of Co-operatives (www.australia2012.coop) and a founding director of Social Business Australia (www.socialbusiness.coop), an organisation that champions the role of member-owned businesses in the mainstream economy. She has written widely on co-operatives and the social economy for international and national publications including four years editing the Digest for the global peak body for co-ops, the International Co-operative Alliance (www.2012.coop). She has wide experience engaging the media on how we build social capital through profitable social businesses.

Toward an Australian Co-operative Party

Graeme Charles and Peter Jamieson

‘Make no small plans for they have no power to stir the soul.’
(Machiavelli)

MANY Australians are clearly disenchanted with, and alienated from our two major political parties. This disenchantment and alienation has festered and developed quite significantly in recent years.

Most people have now become ‘consumers’ of the political product of one of the major parties, at the expense of being ‘participators’ in the development of policies that precede the product. Neither do they participate in the selection of candidates. People accept a particular brand of spin generated around short-term media cycle issues. Furthermore, the articulation and prioritising of political issues, and analysis and debate of these issues are no longer seen as necessary for citizens, as this is now packaged for them by the political party/brand of their choice. We would argue that these are fundamental activities requiring participation within a democracy, and by not engaging in them we are ‘consuming’ and not really ‘participating’ in the political process.

Consuming the ready made political products of the major parties has probably given us the governments we deserve. Democracy is not something one can just ‘consume’. Democracy is a process that citizens need to ‘participate’ in. People are tiring of the sameness of politicians – be they from the left or the right – and their promises to solve problems that deflate into more of the same through back-room deals. Mainstream political products no longer match our society’s needs. People are starting to feel vulnerable, powerless and used.

Several factors have lately emerged that suggest a more ‘co-operative’ participatory approach to politics will be needed to adapt our market-driven world.

The disparity between rich and poor is growing remarkably, both within and between nations. Whilst our political and corporate elites recognise this as an issue, and potentially an unstable state of affairs, the current system seems incapable of addressing the problem. This disparity is closely allied with the unequal access to and consumption of resources needed for sustainable living for all humanity; and indeed for the biodiversity upon which we all depend. Access for all to adequate supplies of quality water, food and personal security loom as crises that will need some resolution, probably within our lifetime.

The ongoing Global Financial Crisis (GFC) is shaking the very foundations of an increasing number of western democracies. Massive unemployment and

under-employment, together with casualisation of the workforce (the precariat) has brought several countries to the brink of revolution.

The globalised system is not working. How can we peacefully and meaningfully adapt our world for sustainable and equitable living?

First, we need to recognise the need for change and have a commitment to participate in that change. In order for this to occur people need to see a way forward. People will not be prepared to change unless they are convinced that change is achievable, secure, and will result in something better than their

present prospects, which for a great number of us are now typically diminishing or at least becoming uncertain.

Co-operatives as organisations can provide us with achievable structures, security and better prospects for the future. We know that co-operatives have

‘Democracy is not something one can just ‘consume’

existed successfully across the entire world for many years, but it is only now perhaps, in the face of the GFC, that they may have become the uniquely suited form of enterprise and political party for a sustainable world.

Operating in the same market place as other forms of business enterprise, it is co-operatives that can provide the opportunity to put employment, environmental considerations and social equity before profit. Local ownership and control of goods and services has massive implications for the struggle to offset the destructive impact of globalisation on our resources and communities. Globalisation concentrates control with elites at the expense of the needy – Co-operatives spread ownership and control as they meet needs.

The co-operative principles, ideals, and values make the nature of co-operatives intrinsic and unique, thereby placing them front and centre as people ponder how the world can look forward to a sustainable future. We further submit that the internationally recognised co-operative values (and principles of operation) set out below, could be the very bedrock upon which a completely new approach to politics could be founded in this country. All and every one of us can adopt these dynamic cooperative alternatives. We don’t need to be rich or famous to join with others to create change.

As this paper’s co-authors, we know, co-operative enterprise has and will continue to occur on a local and national level in this country. But generally this

has been done with little or no help from political parties of either persuasion. Right now this is not at all surprising, as the principles and values of co-operatives is an anathema to our major parties with their 'spin and factions from above' approach. This attitude is certainly our experience of being involved in the co-operative sector in Victoria for many years as members, directors and managers of co-operatives; Peter was CEO of Australia's first telecommunications co-operative and at one time was a director of the Co-operative Federation of Victoria (CFV) whilst Graeme has previously served as Executive Officer and then later a director of the CFV.

Now is the time for the establishment of a 'Co-operative Party' guided always by the co-operative principles and ideals that would start by encouraging the participation of people in their own politics at a local to national level – not just a continuation of the consumption of more of the same offered by our major parties products. Neither the Labour nor Conservative Parties appear capable of, or interested in, addressing the problems discussed above. They are part of the problem, not the solution.

A Co-operative Party would also actively promote the co-operative option at every opportunity; something that none of our major parties has ever come close to doing. On the contrary, there is a perception, certainly at the political level within those parties, that co-operatives are out-dated and well past their use-by date. A perception that, given an effective Co-operative Party, we all know could be shown to be utterly incorrect.

Why Do We Need a Cooperative Party?

In Australia today we have reached a crossroad. We can continue along the *consumption* based, globalised treadmill with us cynically complaining about our materialistic lifestyle, lack of political leadership and direction, and a declining habitat.

Or, we can start to *participate* in a new future where people no longer abdicate their control over their economic and social lives to elites and corporations. Cooperatives provide us with the mechanisms for us to control our role in the production of our goods and services, the protection of our community valued assets, and an ethical system of cooperative behaviour which can permeate from the smallest children's playgroup to the governing of our nation.

An Australian Cooperative Party can help us *participate* in our future and provide the ethical direction required for our public service.

What would distinguish a Cooperative Party from the major Australian political parties?

A Cooperative Party would be based on the values and organisational principles of the international cooperative movement. These are in stark contrast to the opportunistic self-serving elites of the major parties. It is this adherence to co-operative values that would clearly differentiate a Co-operative Party from our two major political parties.

It should be pointed out that the Greens Party in Australia also stands in stark contrast to the major parties in terms of values, organisational principles and policies. In fact co-operatives values do seem to be closely aligned with their policy set. However, the Greens have not yet endorsed the co-operative organisational model that can compete with and offset globalisation with locally controlled sustainable production.

A Green Party that embraces co-operative philosophies, and is no longer seen as 'anti-development' because it has a co-operative business model to power its policies, might negate the need to establish a Co-operative Party from the ground up.



Graeme Charles has been involved with and worked in the co-operative sector since 1992 when he first became interested in energy co-operatives. Since then his commitment to co-operation has gradually increased, strengthened by his belief that co-operation is a superior form of social and business organization enabling people to join together to fulfil their potential and to achieve a more caring, less selfish society. His personal co-operative experience has been as a member, director (including Chairman) of individual co-operatives and Executive Officer of the Co-operative

Federation of Victoria Ltd. for 5 years. After retiring from that position he continued his involvement with the Federation, serving as a director for 8 years, the last 4 as Deputy Chairman. Graeme was directly responsible for introducing the UK Co-operative College and its co-operative education programs into Australia. During his term as EO of the CFV, Graeme authored *The Co-operative Start Up Manual: the essential field guide for starting co-operatives in Victoria* and wrote widely on co-operative matters. He also regularly contributed articles on various aspects of co-operation for the 'Devondaler', Murray-Goulburn dairy co-operative's monthly member newspaper.



Peter Jamieson lives in Wangaratta, NE Victoria and has undertaken a number of community development roles regionally, and with government. Peter is passionate about the need to establish a co-operative sustainable culture to transcend the market-based globalisation that is consuming our world.

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Co-operative identity, values and principles

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of *self-help*, *self-responsibility*, *democracy*, *equality*, *equity* and *solidarity*. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. Voluntary and Open Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be

indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

6. Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Source: International Co-operative Alliance

SouthEast Housing Co-operative Ltd

Agency details

Name: SouthEast Housing Co-operative Limited
Registration Category: Housing Provider
Registration Date: 21 November 2008

Agency contacts

General Manager: Mr Ian McLaren
Chairperson: Ms Shirley Faram
Address: The Hub, Plaza Business Centre
 Level 3, 26 to 36 McCrae St. (Palm Plaza)
 Dandenong 3175
 (PO Box 7141)
Office phone number: (03) 9706 8005
Website: www.sehc.org.au

Agency mission

Our mission is to provide affordable, secure, financially and environmentally sustainable housing for people on low incomes in the south east of Melbourne who want to be part of a housing co-operative.

Key Statistics as at 30 June 2012

Housing properties under management: Total – 160
 Long Term – 160 Transitional – 0 Crisis – 0
Properties in agency ownership: Total – 10
Staffing: Total – 6 Total EFT – 5.5
Assets: Total as at end of 30 June 2012 – \$3,593,891
Annual turnover for year ended 30 June 2012: \$1,692,014
Operational surplus for previous financial year 30 June 2012: \$256,837

Scope of operations

Housing: Long term Affordable Housing Management for 150 DHS and 10 SouthEast properties.
Housing support services: Not funded for housing support though members receive supportive services and are encouraged to be self supportive as co-operative members
Other services: Not funded for other services though members receive capacity building and sustainability resourcing.
Target group/s for housing: Low income households.

DHS regions covered by housing and housing support services: Southern and Eastern Metro Regions.

Profile of housing portfolio

SouthEast manages 150 properties for the Director of Housing and owns 10 properties—a total of 160 properties.
 Properties are mainly in Bentleigh East, Cheltenham, Clarinda, Clayton, Croydon, Frankston, Mooroolbark and Oakleigh.

Key partnerships

The agency has relationships with; The Community Housing Federations of Victoria and Australia; Common Equity Housing Limited and Co-operatives Victoria.

Agency history

SouthEast was founded through the merger of the Ringwood/Croydon, Oakleigh and Frankston Co-operatives in 2000.

The Moorabbin Rental Housing Co-operative ceased trading and became part of the organisation in 2004. SouthEast is the largest Rental Housing Co-operative in Victoria.

Legal structure

SouthEast Housing Co-operative is incorporated under the *Co-operatives Act 1996*.

Victoria's Rental Housing Co-operatives

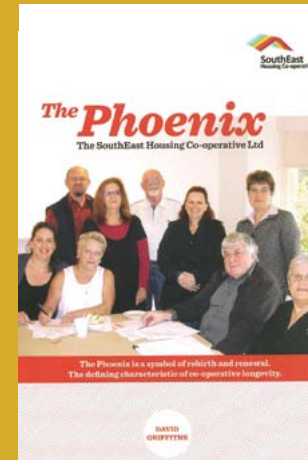
In Victoria, there exist two types of Housing Co-operatives, eight independent Rental Housing Co-operatives (RHCs) and about 120 Common Equity Rental Co-operatives (CERCs), shareholders in a not-for profit Company.

NB All financial figures are as at 30 June 2011, except for Sunshine/St Albans and Common Equity Housing Limited, both of which are as at 30 June 2010. These figures are according to *www.housingregistrar.vic.gov.au*, accessed 31/1/12.

Rental Housing Co-op	Established	Current # of properties/ memberships	Total people	Assets (000s)	Turnover (000s)	Surplus (000s)
Eastern Suburbs	1982	38/47*	85 incl. 22 children	398	375	24
Northcote	1983	36/36	98 incl. 32 children	322	427	17
Northern Geelong	1983	58/58	181 incl. children	279	487	(12)
SouthEast	Merger 2000, (orig. 1985)	160/160	405 incl. 171 children	3,559	1,555	193
Sunshine/St Albans	1985	35/35	92 incl. 36 children	415	391	46
United	1985	94/94	272 incl. 112 children	1,800	995	193
West Turk	1986	31/31	88 incl. 33 children	437	301	30
Williamstown	1982	36/36	80 incl. 27 children	133	344	(2)
CEHL	1985	2,029/1,964**	4,767 incl. 1,800 children	505,965	10,304	1,945
		2,517/2,461	6,068	513,308	15,179	2,434

* With married couples, both are classified as members, hence the higher number of memberships.

**There are 65 dwellings that are presently directly tenanted whilst the governing co-op consolidates.



THE PHOENIX

The Phoenix is about the largest rental housing co-operative in Australia – the SouthEast Housing Co-operative Ltd. This brief history profiles the four co-operatives that merged to become SouthEast, discusses external threats and opportunities and internal strengths and weaknesses and the ongoing challenges for housing co-operatives to adapt and change. Primary source documents have been used and a timeline provided.


The Phoenix is available online at:
www.sehc.org.au/index.php/about-us/history

THE OTHER WAY HOME



This is a 2012 documentary about the difference SouthEast Housing makes to the lives of its members – telling the personal stories of people who live and work in a housing co-operative. The documentary explores a model of housing that promotes self-determination and offers a real alternative to both private and public sector housing. Produced by William Head and Penelope Chai and written and directed by William Head.

Go to the SouthEast Housing Co-operative Ltd channel on YouTube for this and other films:
www.youtube.com/user/SouthEastHousingCoOp?feature=watch



Co-operators is what it is – a collection of contributions by members and staff writing about their experiences of co-operation and co-operatives. Without co-operators there are no co-operatives. Co-operatives are a viable successful alternative to public and private enterprise – throughout the world there nearly one billion member-owners of 1.4 million co-operatives employing 100 million people. Most of the contributors are involved with housing co-operatives – the biggest grouping of co-operatives in the Australian state of Victoria with 120 co-operatives and over 6000 members. The contributors share a passionate commitment to the values and philosophy of co-operation. The basis for this passion lies in member user ownership and control of co-operatives. Read the passion about the co-operative way – and think about your own dreams and ask yourself: why not?